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

You are hereby summoned to attend a meeting of the Executive to be held on Thursday, 11 October 2018 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). 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 items on the agenda are 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 13 September 2018 as published.

2. Apologies for Absence

3. Urgent Business

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

4. 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 A Azad, Councillor Mrs B A Hunwicks and Councillor C S Kemp have declared a non-pecuniary interest in Agenda Items 6, 8, 10, 11, 12, 13, 14 and 16 arising from their positions as Directors of the Thamesway Group of Companies.

In accordance with Officer Employment Procedure Rules, the Chief Executive, Ray Morgan, the Deputy Chief Executive, Douglas Spinks, and Head of Democratic and Legal Services, Peter Bryant, have declared an interest in Agenda Items 6, 8, 10, 11, 12, 13, 14 and 16 arising from their positions as Directors of the Thamesway Group of Companies.

In accordance with Officer Employment Procedure Rules, the Chief Executive, Ray Morgan, has declared an interest in Agenda Items 6, 13, 14 and 16 arising from his position as a Director of Victoria Square Woking Limited.

In accordance with Officer Employment Procedure Rules, the Deputy Chief Executive, Douglas Spinks, and Head of Democratic and Legal Services, Peter Bryant, have declared an interest in Agenda Items 6, 13, 14 and 16 arising from their positions as Directors of Woking Necropolis and Mausoleum Limited, Brookwood Park Limited and Brookwood Cemetery Limited.

In accordance with Officer Employment Procedure Rules, the Chief Executive, Ray Morgan, and the Deputy Chief Executive, Douglas Spinks, have declared an interest in Agenda Items 6, 13, 14 and 16 arising from their positions as Directors of Export House Limited.

In accordance with Officer Employment Procedure Rules, the Chief Executive, Ray Morgan, and Head of Democratic and Legal Services, Peter Bryant, have declared an interest in Agenda Items 6, 13, 14 and 16 arising from their positions as Directors of Dukes Court Owner T S a r l.

Questions

5. 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

6. Medium Term Financial Strategy (MTFS) Investment Strategy Update EXE18-031 (Pages 5 - 22)
Reporting Person – Leigh Clarke
7. Proposed Restrictions to Control the Repair of Vehicles on the Public Highway EXE18-061 (Pages 23 - 28)
Reporting Person – Douglas Spinks
8. Sythwood Residential Units EXE18-116 – Deferred to 22 November 2018
Reporting Person – Ray Morgan
9. York Road Project EXE18-117 – Deferred to 22 November 2018
Reporting Person – Ray Morgan

10. Housing Revenue Account Medium Term Financial Strategy EXE18-049 (Pages 29 - 36)
Reporting Person – Leigh Clarke

Matters for Determination

11. Affordable Housing Expenditure Update EXE18-048 (Pages 37 - 50)
Reporting Person – Leigh Clarke
12. Kestrel Way Industrial Units EXE18-115 (Pages 51 - 60)
Reporting Person – Ray Morgan

Performance Management

13. Performance and Financial Monitoring Information
Please bring to the meeting your copy of the Performance and Financial Monitoring Information (Green Book) August 2018.
14. Monitoring Reports - Projects EXE18-032 (Pages 61 - 86)
Reporting Person – Ray Morgan

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 paragraphs 1 and 3 of Part 1 of Schedule 12A, to the Local Government Act 1972.

Paragraph 1 – Information relating to any individual.

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. Medium Term Financial Strategy (MTFS) Investment Strategy Update EXE18-120 (Pages 87 - 190)
Reporting Persons – Ray Morgan and Leigh Clarke
17. School Place Provision EXE18-027 (Pages 191 - 192)
Reporting Person – Ray Morgan

Matters for Determination

18. Freedom of the Borough EXE18-122 (Pages 193 - 194)
Reporting Person – Ray Morgan

AGENDA ENDS

Date Published - 3 October 2018

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



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EXECUTIVE – 11 OCTOBER 2018

MEDIUM TERM FINANCIAL STRATEGY (MTFS) INVESTMENT STRATEGY UPDATE

Executive Summary

The current Medium Term Financial Strategy (MTFS) was approved by Council in April 2018. It outlined a strategy to militate against identified cost pressures over the period to 2021/22. This report provides an update on the outlook, considering developments since April. It proposes a strategy to continue to move towards a sustainable medium term position.

The figures included in the report are estimates provided for planning purposes. Assumptions are made on those projects and policies within the Council's control as well as future external pressures. The position will continue to change and it may be necessary to revisit assumptions and plans in the light of new information. The MTFS enables the Council to forecast the financial environment within which long term decisions are being made and seek ways to achieve its long term objectives.

The government funding position for 2020/21 and beyond will not be clear until late in 2019. This does not allow much time to manage the position if the results are significantly different from those assumed in this forecast. If transition arrangements are insufficient it may be necessary for reserves to be used to smooth the impact of significant funding changes in excess of the assumed level.

In recent years good progress has been made in securing income to offset the pressures on costs and lost sources of funding. However, the MTFS assumes continued funding reductions throughout the period. In order to absorb these, and the impact of the Council's Investment Programme, further savings are required. During the period covered by the current MTFS the new Town Centre car parks will become operational and the capital financing costs will need to be covered. It is expected that it will take some time for the activity to increase to cover these costs and there will therefore be an additional savings requirement during this period.

The MTFS recommends further investment in strategic property and the confidential report also on this agenda provides detailed proposals. It is also recognised that, based on current capital plans, an additional £3m of ongoing savings or income is likely to be required by 31 March 2022. It is proposed that the Council seeks to secure this through investment in both housing and other strategic income generating assets during the period to 2022. Allowance for this will be incorporated for approval in the detailed 2019/20 revenue and investment programme budgets.

Recommendations

The Executive is requested to:

RECOMMEND to Council That

- (i) the Medium Term Financial Strategy (MTFS) Investment Strategy Update report be approved and the Executive be authorised to continue to prepare an Investment Strategy for future consideration which would generate sufficient income to avoid reduction in services for local people; and**

Medium Term Financial Strategy (MTFS) Investment Strategy Update

RESOLVE That

- (ii) the acquisition of CMS House, initially funded by the opportunity purchases budget, be allocated to the Investment Programme MTFS Investment Strategy budget.

Reasons for Decision

Reason: The decision is sought to set the framework for Officers to develop the detailed budget for 2019/20 and further proposals for consideration, in due course, by the Council to ensure the medium term financial stability of the Council in the context of its objective to support growth and to maintain services for local people.

Recommendation (i) above will need to be dealt with by way of a recommendation to Council; the Executive has the authority to determine recommendation (ii).

Background Papers: None.

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Date Published: 5 October 2018

Medium Term Financial Strategy (MTFS) Investment Strategy Update

1.0 Introduction

- 1.1 On 8 February this year the Council approved the budget and Council Tax for 2018/19, the Investment Programme, Housing Revenue Account budgets and Treasury Management Strategy including Prudential Indicators.
- 1.2 Following this, in April 2018, the Council considered the Medium Term Financial Strategy (MTFS) for 2019/20 to 2021/22 and identified £3.5m of further savings would be required over this period.
- 1.3 This report updates the MTFS and takes the forecast on a further year forming the start of the 2019/20 budget cycle. The government funding position from 2020/21 onwards remains unclear, so for medium term planning purposes assumptions have been made to enable a longer term view to be taken. Section 2 considers the funding changes and the expected timings. The report considers the underlying assumptions critical to the projections and proposes a strategy to secure the required income over the period.
- 1.4 Sections 3-6 summarise the key budget areas and set out the assumptions made.
- 1.5 Sections 7-9 consider the impact of the Council's Investment Programme proposals.
- 1.6 Sections 10 and 11 set out the overall cost pressures and available reserves, and recommends a strategic approach, based on maintaining the Council's strategy of not reducing services in the Borough.

1.0 Update since last MTFS

- 1.1 The MTFS was last approved by the Council in April 2018, and identified savings to be secured. Since then the government has published a consultation on funding for 2019/20, there have been developments at Surrey County Council and the Council has continued work on a number of strategic projects. Further consideration has also been given to the strategy to secure financial stability over the MTFS.
- 1.2 This update will establish the base position for the detailed budget proposals for 2019/20 due to be reported in draft to the Executive in November, with the final budget and Council tax to be approved by Council in early February.
- 1.3 In pursuing economic regeneration and sustainability plans the Council has acquired a number of strategic properties. These are all within the Borough and have a strategic purpose to the Council as well as generating income. The current position on these properties is reported in the Green Book each month.
- 1.4 In November 2017 the Council acquired the Dukes Court office block, through the acquisition of its holding company. This had the benefits of protecting employment space in the Town Centre, enabling regeneration of the surrounding area, and providing commercial rent income for the Council. The asset was transferred from the holding company to direct Council ownership on 28 September. An assumed level of net income from the asset has been included in the 2018/19 base budget.
- 1.5 With the inclusion of another year in the MTFS it has been necessary to consider the transition into the operational phase of Victoria Square in more detail. On completion of construction the Council acquires the car park element of the scheme. Together with other planned car park development this increases Town Centre car park capacity for the future. However, the MTFS recognises that the additional demand will take a period of time to build.

Medium Term Financial Strategy (MTFS) Investment Strategy Update

2.0 Government support

2.1 The 2018/19 final settlement figures announced in February 2018 were consistent with those provided when the Council accepted the multi-year settlement in 2016.

Government Funding

	4 year settlement - Feb 2018		
	2017/18 £'000	2018/19 £'000	2019/20 £'000
Business Rates	1,993	2,053	2,099
RSG			
Transition Grant	112		
Tariff adjustment		-	991
Total Funding	2,105	2,053	1,108
Reductions in funding	-	1,304	-
		52	-
			945

2.2 In July 2018 the government published a consultation on the 2019-20 Settlement. This included proposals to address the problem of negative RSG in 2019/20, as well as setting out the principles for New Homes Bonus and Council Tax increases.

2.3 The 4-year settlement methodology in 2016 allocated reductions in government funding across the local government sector. This resulted in a 'negative RSG' position for a number of authorities where there was no Revenue Support Grant left to take. Following consultation on the provisional proposals in 2016, the negative RSG was removed for 2017/18 and 2018/19 but has remained in 2019/20 through the various announcements since this time.

2.4 Over the last 3 years the Council has consistently made representations to the government reiterating concerns about negative RSG. The July 2018 consultation acknowledges the issue of negative RSG and considers 'fair and affordable' approaches to address the issue. The Government's preferred option is to simply allocate additional funding to remove the negative amounts in those affected authorities. The funding would be allocated from the Government's share of business rates income. This is positive news and this MTFS assumes that the proposals in the consultation are implemented as shown in the table below.

Future Government Funding

	4 year settlement		Estimated		
	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
Business Rates	2,053	2,099	2,162	2,227	2,294
RSG					
Transition Grant					
Tariff adjustment		-991			
Assumed adjustment following consultation (July 18)		991			
Assumed adjustment post BR retention/FF review			-750	-1,250	-1,750
Total Funding	2,053	2,099	1,412	977	544
Reductions in funding	-	52	-	-	-
		46	-	-	-
			-	-	-
			-	-	-

2.5 The consultation closed on 18 September 2018 and it is assumed that the results will inform the announcement of the provisional figures for 2019/20 in December 2018.

2.6 The funding position from 2020/21 onwards remains unknown. The March 2018 MTFS assumed annual reductions of £500,000 in addition to the £1 million reduction in 2019/20. For the purposes of this MTFS it is now assumed that the funding reduction in 2019/20 is

Medium Term Financial Strategy (MTFS) Investment Strategy Update

removed, but that the reduction in 2020/21 is increased to £750,000 acknowledging the risk that these funds will be recouped on transition to the new system. In future years the assumption remains the tariff adjustment will increase by £500,000 pa, offset by inflation of 3% in the Business Rates retained. In reality the introduction of the new Business Rates system will combine these two figures and the fair funding review will set the retained element of Business Rates (before growth). The section below sets out further detail on the new arrangements.

- 2.7 If funding reductions continue beyond 2022/23 the Council could be in a position where it no longer receives any central funding and becomes a net contributor to the national system.

Business Rates

- 2.8 The Government plans to introduce a new system for the allocation of Business Rates from 2020/21. The new system will require baseline income and needs to be assessed. These levels will be used to determine 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 (see table in 2.23).
- 2.9 Changes to Business Rates in recent years including Small Business Rates Relief, other discount schemes following the revaluation, and the change from RPI inflation to CPI have been funded by the government at no cost to individual Councils.
- 2.10 For 2018/19 the local authorities in Surrey are operating as a pilot for 100% Business Rates retention. This means that a greater proportion of Business Rates growth is retained locally this year. The government has recently made it clear that the Surrey pilot is only for one year.
- 2.11 The government's intention is now to move to a system of 75% Business Rates retention by the local government sector in 2020/21. In July 2018 the government published an invitation to bid to become a 75% Business Rates Pilot in 2019/20. The offer is not as attractive as the 2018/19 pilots – the benefit is less as only 75% of the gains are retained, the no-detriment clause which protected pilot authorities from a reduction in income as a result of the pilot has been removed, and the number of pilots to be approved will be reduced. However, there remains a significant benefit in being a pilot area and a bid has been submitted by Surrey County Council and the Surrey Districts and Boroughs. In the event of an unsuccessful pilot bid Woking is not one of the Boroughs which maximise the income retained in the County, so would not be part of the Business Rates pool which would be formed.
- 2.12 £200,000 of additional Business Rates income above baseline levels has been used to support annual revenue budgets since the first Surrey Business Rates pool in 2015/16. However, actual income collected has been above the baseline level generating surpluses which have enabled the MTFS and Business Rates equalisation reserves to be established, and to cover the budget requirement in years when the Council has not been part of a pool or pilot. It is not prudent to include a greater benefit in baseline budgets given the uncertainty of this funding in future years. Any reliance would increase the potential difficulty at the reset of the system in 2020/21.
- 2.13 There were a number of valuation adjustments from the Valuation Office in 2017/18 due to the current Town Centre redevelopment and infrastructure works. Despite this, the position currently remains at positive levels and this will continue to be monitored over the coming months and years until the works are completed.
- 2.14 Any benefit generated from the 2018/19 pilot will be credited to the MTFS reserve at 31 March 2019, and used to fund Town Centre feasibility work as set out in the pilot bid.

Medium Term Financial Strategy (MTFS) Investment Strategy Update

New Homes Bonus

- 2.15 2018/19 is the second year since the New Homes Bonus scheme was revised to reduce the number of years the bonus is paid for (from 6 to 4) and to include a baseline growth which is required before any grant is received.
- 2.16 Once through the transitional period it has been assumed that Woking would qualify for approximately £600k of grant annually. This would be the position from 2021/22 onwards by which time the baseline will affect all 4 years for which the grant is being received.
- 2.17 The July 2018 consultation on the 2019/20 settlement commented on New Homes Bonus:
- Due to the upward trend in house building it is likely that the baseline of 0.4% will be increased for 2019/20;
 - The government intends to explore how to incentivise housing growth most effectively in the next Spending Review, for example by using the Housing Delivery Test results to reward delivery or incentivising plans that meet or exceed local housing need.
- 2.18 It is clear that New Homes Bonus in the current form will not continue, however it is not clear what will replace it or how the transition will work. For this MTFS the assumptions on total grant income have not been amended. Actual receipts could vary significantly from this level depending on the annual growth in new homes. The baseline growth requirement may also be set at a considerably higher level depending on the funding made available by the government and national levels of growth.
- 2.19 The Council has £1m of New Homes Bonus income in its base budget for 2018/19. The forecast assumes this is reduced by £200,000 in 2019/20 and 2020/21 until just £600k remains in the base budget.

Council Tax income

- 2.20 The government has consulted on the Council Tax referendum principles for 2019/20. The intention is to maintain the same approach as in 2018/19:
- District Councils to be allowed increases of up to 3% or up to and including £5, whichever is higher;
 - A core principle of 3% increases, plus the Adult Social Care (ASC) precept for relevant authorities (subject to the total ASC not exceeding 6% between 2017/18 and 2019/20);
 - Increases of up to £12 for Police and Crime Commissioners.
- 2.21 The Government calculates future spending power figures which demonstrate resources available to each authority. In these calculations it is assumed that authorities take advantage of this flexibility to generate the maximum Council Tax income. The Government also assumes increases to the taxbase based on previous taxbase trends.
- 2.22 For the forecast it is assumed that the Council will implement the maximum increase in Council Tax without needing a Referendum, in line with the government proposals. This ensures that income does not fall behind assumed levels. The taxbase is forecast to increase by 0.75%, equivalent to approximately 300 Band D properties per annum, broadly in line with the Local Plan.

Medium Term Financial Strategy (MTFS) Investment Strategy Update

Council Tax Income	2018/19	2019/20	2020/21	2021/22	2021/22
Taxbase	41,030	41,338	41,648	41,960	42,275
Increase (Band D equivalents)	509	308	310	312	315
Council Tax	£233.46	£240.46	£247.68	£255.11	262.76
Total Council Tax income (£'000)	9,579	9,940	10,315	10,704	11,108

Future developments

2.23 Going forward there are a series of significant workstreams which will affect the system of government funding from 2020/21 onwards. In addition a Business Rates revaluation is expected in 2021 (and every 3 years thereafter) together with transitional arrangements. Neither the detail of these nor the potential impact is available at this stage.

Review	Purpose	Update since last MTFS
Fair Funding Review (FFR) Due to be implemented 2020/21	Determines which authorities have the greatest 'need' for government funding.	None
'Redesign of Business Rates retention system' Due to be implemented 2020/21	Sets the mechanics for how Business Rate income collected is distributed - to meet the need determined in FFR and incentivise growth.	Applications invited for a small number of 75% Business Rates pilots for 2019/20
Business Rates Baseline Reset Due to be implemented 2020/21	Determines the expected Business Rates income collected by each authority. Amounts above this level are considered 'growth' and the amount of this growth retained is funding above baseline level.	None
Transition arrangements	'Soften' the impact of significant changes in funding through implementation over a period of time.	None

2.24 Until some of the elements of the system are settled, it is not possible to assess the funding expected in future years with any certainty. It is also very difficult to assess the maximum potential impact, although it would seem difficult for funding to drop below zero.

3.0 2017/18 outturn

- 3.1 The outturn for 2017/18 year was an underspend of £1.1m as reported in the March 2018 Green Book. Much of this saving was additional rental income from Orion Gate which was not acquired until after the budget had been set.
- 3.2 Where there are timing differences, any additional income generated above budgeted levels is credited to reserves to manage the medium term financial position and provide resource for management of the asset going forward.
- 3.3 Other variances in 2017/18 have now been incorporated into the base budget and are not being forecast in the 2018/19 Green Book to date.

4.0 General Service Pressures

Employee costs

- 4.1 The 2018/19 base budget is based on a salary control total of £13.575 million. The proportion of costs allocated to the General Fund increased compared to 2017/18 as a result of a review which showed a reduction in direct staffing costs to be allocated to the Housing Revenue Account (HRA). It is not expected that a further adjustment will be required going forward.
- 4.2 The budget continues to allocate some employee costs to the Investment Programme to be funded annually alongside the projects to which these posts relate. It will be important to continue to assess that project work continues such that employee costs can be capitalised.
- 4.3 There is a 5% vacancy management savings target within the 2018/19 salaries budgets. The total annual cost of a full staff structure has been scaled back by this amount to the control total. A vacancy target at this level is acceptable but higher than in previous years and will require close management in year.
- 4.4 Going forward it is necessary to assume that all pay progression is funded in future years if services are to be maintained at the existing levels, and that some contribution is made to reduce the vacancy management target.
- 4.5 Allowance is made for the control total to increase by £400,000 in 2019/20 and 2020/21 with an assumed cost increase of £350,000 per annum across the period. This is equivalent to an increase in salary budget of between 2.45% (2019/20) and 2.35% (2021/22) and enables a reduction in the vacancy management target of £100,000 so that it represents 4% of the total costs by 2021/22.
- 4.6 It may be necessary to review this later in the budget process if it is not possible to manage this level of in-year savings.

Contractual Inflation

- 4.7 As in previous versions of the MTFS, an allowance for inflation has been included for the Council's highest value contracts. This includes Waste and Recycling, Environmental Maintenance, Asset and Facilities Management as well as Energy and Business rates budgets.
- 4.8 For the purposes of this report inflation is based on the HM Treasury August publication of independent inflation forecasts. Contract increases are assumed to be in line with RPI. Between £250,000 and £275,000 is allowed in each year of the forecast.

Medium Term Financial Strategy (MTFS) Investment Strategy Update

Medium Term Forecasts August 2018 (HM Treasury)

Inflation	2018	2019	2020	2021	2022
RPI (%)	3.4	3.1	3.0	3.1	3.2
CPI (%)	2.4	2.1	2.0	2.0	2.1

Other inflation

- 4.9 No specific allowance is made for inflation on the remaining £11 million of service expenditure. It is assumed that any further cost pressures will be offset by increases in income budgets which total £25 million excluding parking which is covered separately in section 6. A significant proportion of this income (£16m) relates to rents and it is recognised that these will be subject to rent reviews and may not increase in the same way as contract inflation.

5.0 Specific Service Pressures

Additional Car Parks

- 5.1 This MTFS now includes the financing and net income forecast from the new Victoria Square car park and the proposed extension of other car parks.
- 5.2 It is difficult to evaluate the additional car parking activity on the opening of Victoria Square, and it is likely that it will take some time for activity to increase to a new 'base' level.
- 5.3 Previous versions of the MTFS have assumed increases in parking fees and charges every 2 years effective October. Actual income from car parks in 2018/19 is currently less than budgeted and there is a risk of reduced parking income in the Town until infrastructure works are complete. It is now assumed that an increase in charges during 2019/20 would just help meet existing budgets and the additional income previously forecast for 2019/20 will not be achieved.

Reduction in Surrey County Council support

- 5.4 A number of the Council's service areas have historically benefited from financial support from Surrey County Council (SCC). SCC has been very open about their financial funding issues as a result of reductions in government funding and increased demand (particularly for social services and services for people with learning difficulties). For the purposes of the MTFS it is assumed that Woking will lose all remaining income in 2019/20, with the exception of waste funding which has been agreed under new funding mechanisms and is assumed to be lost at the end of the period of the agreement.
- 5.5 There is also a risk due to SCC funding of community and voluntary groups in Woking where support may be withdrawn. Where this happens the Council will need to consider the implications on an individual basis. No further costs have been incorporated into the MTFS at this stage.

New Leisure Facilities

- 5.6 Additional operational costs have been built into the 2018/19 budget for the Woking Sportsbox, which opened during the summer. These costs will be reviewed during the year and amended in the 2019/20 budget if necessary. An assumed £825,000 for operating the new Sheerwater facilities has been included in the MTFS.

HG Wells

The lease for HG Wells is due to end in 2020. There is a net cost of running the centre plus the cost of leasing the property. The impact of closing the centre, assuming no additional net cost of providing an alternative facility, is £480k.

Housing

- 5.7 The Homelessness Reduction Act places new responsibilities on the Council. In 2018/19 funding has been received to assist in the implementation of these new requirements. In future years there is a risk that there will be additional ongoing costs that have not been recognised in the MTFS. Currently properties in Sheerwater are being used as temporary housing, saving the cost of Bed and Breakfast accommodation. As the Sheerwater scheme progresses the Council will need to identify alternative housing for these tenants.

Land Charges

- 5.8 The Land Registry will take on the future provision of Land Charges information. The timing and exact proposal of what elements of the service will transfer have not yet been confirmed, however there is a risk that there are residual costs which will no longer be covered by income from charges. No new information is available since the last MTFS. The £80,000 pressure remains for any costs which cannot be recovered, although for planning purposes moved to 2020/21.

Commercial Rents

- 5.9 The Council has a number of properties with leases which expire during the MTFS period, in particular during 2021. There is a risk that these properties become vacant, with the rental income lost and the associated landlord costs for the Council. No allowance has currently been made for this pressure, it is assumed that reserves will be used to mitigate any shortfall until the properties are re-let. The further risk is that there will be a general reduction in rental levels, however with the regeneration of the Town it is hoped that levels can be maintained.
- 5.10 The retail sector has been experiencing difficulties in recent times. Income has reduced from a number of units where rents had been agreed when the historic financial environment was more positive and there may be further adjustments necessary as leases are renewed. A strong retail offer is important as part of a balanced and attractive Town Centre and despite the challenging market the number of vacant units in Woking remains low.
- 5.11 The We are Woking campaign is promoting the town, keeping the community informed and interested in developments. It aims to ensure that it is clear that the town remains open for business during this time. The campaign launched during 2017/18, and resources will be reviewed as part of the Investment Programme this autumn.

6.0 Fees and Charges

- 6.1 Of the total £11.3m income from discretionary fees and charges, £7.5 million is derived from car parking charges.
- 6.2 It is assumed that there will be an annual increase in income generated and that this trend will continue at some £250,000 per annum over the forecast period with the exception of 2019/20 which will absorb the shortfall being experienced in the current year.

Medium Term Financial Strategy (MTFS) Investment Strategy Update

- 6.3 Planning fees were increased in January 2018 in line with government guidance. The government has suggested a further 20% increase would be available in the future with details to be announced. This has not been built into the forecast since it is assumed there will need to be an equivalent increase in expenditure within the planning service.

7.0 Investment Programme

- 7.1 The cost of Investment Programme projects, where project funding is through borrowing, consists of interest charges and an allowance for repayment of debt which is called the 'Minimum Revenue Provision' (MRP).
- 7.2 The forecast is based on the Investment Programme approved by the Council in February 2018, updated for slippage and planned schemes.
- 7.3 There is considerably less activity in the outer years. It may be that nearer the time further projects will be developed for these years, however the Council can assess whether these are affordable in due course once the financial position is established.
- 7.4 There remains a budget for strategic investment opportunities as well as the opportunity purchase budget within the Investment Plan. Where not specifically allocated, the MTFS assumes that the Strategic Investment budget achieves a 2% margin on the costs of acquisition.

Flood Schemes

- 7.5 In March 2016 the Executive approved the first stage investment in the Hoe Valley flood alleviation and enhancement scheme. It is recognised whilst we remain hopeful that grant funding will be available, it is probable that it will not completely fund the project. An estimated cost of borrowing of £4 million has been assumed for each scheme. These costs have been slipped as the funding has not yet been secured.
- 7.6 It is likely that further investment will be required in future years for the Rive Ditch, but at this stage these works have not yet been quantified.

Woking Sportsbox

- 7.7 The community facility element of the Egley Road scheme is funded by development contributions, with interim borrowing applied until the contributions are secured. These financing costs, assumed at £625,000 pa, are now in the 2018/19 budget. The athletics track is a replacement for the track in Sheerwater which is required for the regeneration scheme. It is assumed that the Sheerwater project will make a contribution of £8m for this during 2020/21.

Brookwood Cemetery

- 7.8 The Investment Programme includes capital and revenue grants to Brookwood Cemetery to fund backlog maintenance as well as capital improvements. Going forward future investment will be assessed and agreed annually and would be an additional cost to the base budget. It is expected that continued investment will be required so a revenue allowance of £300k and an annual £1m capital grant is assumed in the Investment Programme.

Gateway

- 7.9 The Woking Gateway project is a private development scheme, which includes some of the Council's property assets. Once construction is underway, there will be a loss of £350,000 commercial rents during the development. It will be important to the Council that these are

Medium Term Financial Strategy (MTFS) Investment Strategy Update

reprovided and that this income stream is not permanently lost. The MTFS recognises this loss of income assumed in 2021/22.

Car Parks Extensions

- 7.10 The Investment Programme allows £10m for expansion of Town Centre Car Parks. It is assumed that additional car parking income will offset the financing costs of the increased capacity, approximately £370k based on a 50 year annuity at 2.75%.
- 7.11 The Victoria Square project also provides for additional car parking which will be acquired by the Council on completion of construction. The total cost of these additional spaces is £58m which it is assumed to become due to Victoria Square Woking Ltd (VSWL) over 2 years and will require approximately £2.4m from car parking charges to finance. It will take time for the new asset to be able to generate this level of income so funds will need to be set aside to offset the financing costs until activity increases.
- 7.12 A net cost is now included in the MTFS. Resources will be set aside to offset this pressure for a period of time.

Technical accounting changes

- 7.13 Both the government and CIPFA have issued updated guidance on investment and treasury management practices which will apply from 2018/19. In particular there are new suggested periods for the repayment of borrowing (MRP) applied to specific assets. Whilst this remains guidance and not a statutory requirement, it may be more difficult in to justify an approach which is significantly different to the recommended calculations.
- 7.14 For share capital the suggested Minimum Revenue Provision (MRP) is over 20 years as the government wishes to discourage the use of share capital. The Thamesway Business Plans and Investment Programme considered in November will recommend that in light of this future project financing reduces the use of share capital in supporting long term business plans.

8.0 Group Companies

- 8.1 The Council's Group companies provide a net revenue benefit in the base budget. It is assumed that the approved investments in the Thamesway Group are advanced as set out in the Investment Programme. The timing of these may change as a result of the Thamesway Business Plans due to the Council this autumn.
- 8.2 Beyond the Investment Programme years, it is assumed that there will be a continued investment in the Thamesway Group as outlined in the Thamesway Business Plans but not yet approved by the Council in its Investment Programme. The additional income generated is offset in part by the reduction in interest on older annuity loans as the principal is repaid by Thamesway group companies.

9.0 Treasury Management

- 9.1 The base treasury management position in the 2018/19 budget reflects the borrowing necessary to meet the requirements of the approved Investment Programme. It is based on a long term borrowing rate of 2.95%. As at 26 September, 50 year PWLB rates are 2.61% (maturity), 2.78% (annuity).
- 9.2 For future years long term borrowing rates have been based on the forecast maturity rates provided by Link Asset Services, the Council's treasury management advisors (7 August 2018). This incorporates the bank base rate increase from 0.5% to 0.75% on 2 August 2018.

Medium Term Financial Strategy (MTFS) Investment Strategy Update

The table below shows the forecast certainty rates for maturity loans. The 50 year annuity rate is approximately equivalent to the 25 year maturity rate.

Link Asset Services Interest Rate View											
	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank Rate View	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
3 Month LIBID	0.75%	0.80%	0.80%	0.90%	1.10%	1.10%	1.20%	1.40%	1.50%	1.60%	1.60%
6 Month LIBID	0.85%	0.90%	0.90%	1.00%	1.20%	1.20%	1.30%	1.50%	1.60%	1.70%	1.70%
12 Month LIBID	1.00%	1.00%	1.00%	1.10%	1.30%	1.30%	1.40%	1.60%	1.70%	1.80%	1.80%
5yr PWLB Rate	2.00%	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%
10yr PWLB Rate	2.40%	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%
25yr PWLB Rate	2.80%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%
50yr PWLB Rate	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%

9.3 The forecasts are heavily caveated and assume:

“that sufficient progress is made, in respect of negotiations, to produce a reasonable agreement for Brexit that benefits both the EU and the UK in a sensible manner. If no agreement is reached at all, then our forecasts for increases in Bank rate and PWLB rates will be subject to greater change, most likely downwards.”

It is also expected that:

“there are likely to also be periods of sharp volatility from time to time.”

- 9.4 If rates rise above assumed levels for projects which require financing over a period of time, it is likely that a consolidated rate, mixing long and shorter term borrowing, could be achieved.
- 9.5 For the Victoria Square project financing was assumed at a base rate of 2.5%, with modelling at 2.75%. To date £155m of 50 year annuity borrowing has been secured for the project at a weighted average interest rate of 2.57%. There remains a risk on the timing of loan advances and interest rates which could have an effect on future plans.
- 9.6 Most of the Council’s historic debt has been maturity loans which are repaid at the end of the term. More recently there has been a move to annuity loans which repay the principal alongside the interest, over the life of the loan. With the levels of investment planned over the MTFS period it is likely that annuity loans will continue to be taken for new long term debt. This will mean the principal is repaid gradually over the term of the loan so the Council is not left with a significant payment to be made at maturity, and therefore does not need to hold significant cash balances with which to make the payment.

10.0 Summary Forecast

- 10.1 The table below sets out the impact on future years of the assumptions outlined in sections 3-9 of the report, and the previously agreed mitigation strategies.
- 10.2 It also assumes an increase in Investment in strategic investment in assets, yielding £1.6m to support the financial position from 2019/20 onwards. The detail of these proposals is included in the confidential report to be considered in Part 2 of this agenda.
- 10.3 It is proposed to use the MTFS Investment Strategy budget in the Investment Programme for the acquisition of CMS House, Poole Road. The asset was acquired for £1.96m (including SDLT) and yields a rent of £120,000. After assumed financing costs of £72,370 (50 yr annuity at 2.75%), the net income achieved is £47,630. The purchase was completed using

Medium Term Financial Strategy (MTFS) Investment Strategy Update

the opportunity purchases budget, however the financials meet the assumptions made for Investment Strategy purchases and will contribute towards the target income for 2018/19.

- 10.4 New rental income contributes towards the financing costs of some of the Investment Programme projects. This is currently an estimated amount and will be further clarified as the full detail of the schemes come forward for approval.
- 10.5 Investment in housing through loans to Thamesway Housing Ltd/Thamesway Developments Ltd are forecast to generate £2m of additional income. The timing of this income will be revisited as part of the budget process for 2019/20 which will include the update of the Thamesway Business Plans.

WOKING BOROUGH COUNCIL - MEDIUM TERM FINANCIAL STRATEGY

<u>In year pressures</u>	2019/20	2020/21	2021/22	2022/23	TOTAL
	£'000	£'000	£'000	£'000	£'000
Remove use of reserves	309				309
Remove Business Rates pooling/CF surplus	38	299			337
Reduce reliance on NHB	200	200			400
General Service Pressures	653	658	615	625	2,551
Specific Service Variances	346	346	104		796
Investment Programme projects	777	912	908	354	2,951
Less: additional revenue income from projects			-350		-350
Sportsbox funding from Sheerwater project		-370			-370
Sheerwater Leisure facilities - operational cost		125	700		825
Woking Gateway - loss of rents			350		350
HG Wells - lease termination		-479			-479
Town Centre Car Parks financing costs			1,583	1,178	2,761
TEL/TCMK interest	-62	-10	75	75	78
Government Funding reductions	-46	687	435	433	1,509
	<u>2,215</u>	<u>2,368</u>	<u>4,421</u>	<u>2,665</u>	<u>11,669</u>
Funded by:					
Fees and Charges - Car park income		-250	-250	-250	-750
Fees and Charges - new Car park income			-616	-616	-1,232
Council Tax income	-361	-375	-389	-404	-1,529
In year savings required	<u>1,854</u>	<u>1,743</u>	<u>3,165</u>	<u>1,395</u>	<u>8,158</u>
Agreed/Proposed MTFS Strategies					
Investment in Housing	-737	-663	-688		-2,087
Investment in MTFS Investments Clockhouse	-187				-187
Investment in MTFS Investments CMS House	-47				-47
Investment in MTFS Investments (@2%)	-137				-137
New Investments in Town Centre	-1,600				-1,600
Limiting Investment Programme revenue cost	-100	-100	-100	-100	-400
Productivity and Procurement	-100	-100	-100	-100	-400
	<u>-1,055</u>	<u>881</u>	<u>2,278</u>	<u>1,195</u>	<u>3,299</u>
Cumulative requirement	<u>-1,055</u>	<u>-174</u>	<u>2,104</u>	<u>3,299</u>	

Medium Term Financial Strategy (MTFS) Investment Strategy Update

The cumulative requirement shows that, if the additional investment is approved, the financial position is forecast to be in surplus in 2019/20 and 2020/21. This should enable some resources to be set aside for future years. The pressure comes on introduction of the new car park assets, and the associated financing costs, which are expected to initially operate at a net cost. The table below tracks the changes since the April 2018 MTFS.

<u>In year pressures</u>	2019/20	2020/21	2021/22	2022/23	TOTAL
	£'000	£'000	£'000	£'000	£'000
Surplus (-)/deficit after agreed strategy (Apr 18)	1,608	1,548	315	0	3,471
Government funding	-991	250		433	-308
Additional year of forecast (inc savings)		-2	7	-154	-149
HG lease termination		-479			-479
Lost income (car parks/SCC/Gateway)	250		104		354
Investment Programme	-202	340	185	354	677
New Car Parks			1,583	1,178	2,761
New Car Park income			-616	-616	-1,232
MTFS income	-1,796				-1,796
Reschedule cashflow timings	76	-776	700		0
	-1,055	881	2,278	1,195	3,299
Cumulative additional Pressure	-1,055	-174	2,104	3,299	

10.6 Over the period to 2022/23 the Council is likely to need to secure a further £3.3m in additional income or reduced costs. The savings are forecast to be needed in 2021 and 2022. The timing of income and cost pressures will continue to be reviewed as the detailed 2019/20 revenue and investment programme budgets are developed over the coming weeks.

10.7 The Council's approach to date has been to invest in strategic and housing assets to underpin the future development and financial sustainability of the Borough. This has been successful and it is recommended that this be continued over the coming years.

10.8 It is recommended that further investment in assets is incorporated in the budget proposals for 2019/20 to seek to secure the required savings for 2021/22 and 2022/23 with a target of £2m to be secured from housing and £1m from other assets.

10.9 The risks to the forecast have been covered in earlier sections of this report however, there are a number of items in the MTFS which could improve the Council's position:

- The government review of funding may secure at least a cash neutral settlement for the Council saving £1.5m between 2020 and 2023
- Parking activity could increase more quickly than forecast once the town centre works are complete
- With the level of development underway the Council taxbase could increase at a greater rate than assumed and generate additional Council Tax income
- There are possible additional income sources from loans to external organisations or opportunity purchases which have not yet been incorporated into the figures.

10.10 There also remains flexibility within the Investment Programme where projects could be deferred until resources can be identified. It is also possible that some projects won't progress as quickly as currently envisaged.

10.11 The Council also has a number of reserves which are available to mitigate short term shortfalls in income. The level of reserves is covered in the following section.

Medium Term Financial Strategy (MTFS) Investment Strategy Update

10.12 It will be necessary to keep the MTFS under frequent review and update it as part of the budget process and as better information becomes available.

11.0 Reserves

11.1 It is important to review the use of reserves alongside forecast budget plans to maintain adequate resources in reserve. The Council's main usable revenue reserve is the Investment Strategy Reserve which is managed with a target of maintaining approximately £3 million of available funds. The February budget papers showed the balance on this reserve was projected to be £2.7 million at 31 March 2021. At 31 March 2018 the balance on the Investment Strategy reserve was £4.1m.

11.2 The Wolsey Place reserve is used to mitigate variations in rental income and one-off revenue costs in Wolsey Place and Export House. At 31 March 2021 the balance is forecast to be £3.1 million, and based on similar levels of use is reducing at approximately £685,000 a year. At this rate of use, the funds in this reserve will last until 2025/26

11.3 A new Car Park reserve has been established as part of closing of the final accounts for 2017/18, with £1m of available funds.

11.4 The Council has a number of other revenue reserves holding funds which are set aside for specific purposes or to address particular identified risks. These include the MTFS reserve and Business Rates Equalisation Reserve which are available to provide a buffer should income levels take time to grow or further costs/lost income be incurred while the major construction projects in the Town Centre continue.

Reserves available to manage the transition period to 2021 and beyond

	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21
	£'000	£'000	£'000	£'000
<u>Forecast reserve balances</u>				
Medium Term Financial Strategy Reserve	3,444	3,136	3,136	3,136
Wolsey Place Reserve	5,915	4,564	3,824	3,056
Business Rates Equalisation Reserve	6,002	2,502	2,502	2,502
Victoria Square Reserve	796	1,596	2,396	3,196

11.5 The Council's overall level of reserves is considered to be sound with funds available to provide support for a short period provided medium and long term actions are taken to align underlying revenue expenditure with underlying revenue income; a balanced budget.

12.0 Conclusions

12.1 The MTFS projects cost pressures of £8m over the period 2019/20 – 2022/23. Of this total, £2.6m relates to Investment Programme projects, £1.5m is due to the new car parks and £1.9m is due to government funding reductions.

12.2 Income and savings to the value of £4.85m are proposed or identified, including new strategic investments as set out in the confidential report also on this agenda.

Medium Term Financial Strategy (MTFS) Investment Strategy Update

12.3 Further investment is proposed for inclusion in the detailed budgets to mitigate the remaining savings requirement to 2022/23.

13.0 Implications

Financial

13.1 The financial implications are detailed within the report.

Human Resource/Training and Development

13.2 No specific Human Resource or Training and Development implications.

Community Safety

13.3 No specific Community Safety implications.

Risk Management

13.4 There are a number of specific risks to the figures included in the forecast as set out in the report. There is an ongoing risk in the medium term of changes in government policy which could affect the General Fund as well as the Housing Revenue Account and Thamesway Group.

Sustainability

13.5 There are no sustainability implications.

Equalities

13.6 There are no equalities implications.

Safeguarding

13.7 There are no safeguarding implications.

14.0 Consultations

14.1 There have been no formal consultations on this paper.

REPORT ENDS

EXECUTIVE – 11 OCTOBER 2018

PROPOSED RESTRICTIONS TO CONTROL THE REPAIR OF VEHICLES

ON THE PUBLIC HIGHWAY

Executive Summary

The purpose of this report is to seek officer delegation in respect of Part 2 of the Clean Neighbourhoods and Environment Act 2005 and to agree the level of penalty to be fixed respectively to enable authorised officers to issue fixed penalty notices for nuisance parking offences relating to repairing a car on the road in the course of a business.

It is likely that these provisions would be used by exception and at this time the remaining provisions of the Clean Neighbourhoods and Environment Act 2005 have been superseded with appropriate authority already delegated to officers for normal enforcement regimes.

Recommendations

The Executive is requested to:

RECOMMEND TO COUNCIL That

the level of fixed penalty notices shall be set at £100 per penalty notice where it is considered that a person has committed an offence under Part 2 of section 4 of the Clean Neighbourhoods and Environment Act 2005.

Reasons for Decision

Reason: The proposed penalty of £100 is in accordance with the requirements of the Clean Neighbourhoods and Environment Act 2005.

The item above will need to be dealt with by way of a recommendation to Council.

Background Papers: None.

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Proposed Restrictions to Control the Repair of Vehicles on the Public Highway

Shadow Portfolio Holder: Councillor Ken Howard
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Date Published: 5 October 2018

Proposed Restrictions to Control the Repair of Vehicles on the Public Highway

1.0 Introduction

- 1.1 The Clean Neighbourhoods and Environment Act 2005 received Royal Assent on 7 April 2005. Secondary legislation was required for many of the measures contained within it and a full consultation process was undertaken. Secondary legislation and guidance came into effect on 6 April 2006.
- 1.2 With the exception of the authority sought within this report there is no further authority required under the provisions of the Clean Neighbourhoods and Environment Act 2005.
- 1.3 The Clean Neighbourhoods and Environment Act 2005 introduces a new offence of carrying out restricted works on a motor vehicle on a road.
- 1.4 A fixed penalty notice offers the offender the opportunity to discharge their liability by accepting a fixed penalty.
- 1.5 It is intended that fixed penalty notices will typically be used by officers to address ongoing nuisance resulting from repairs to cars on the road in the course of a business.

2.0 Background and Proposal

- 2.1 Repair of vehicles by a business for gain or reward on the road is not common but where this practice is observed this can be a considerable inconvenience to local residents. Repairing vehicles on the road can be a safety hazard particularly if the car is left on its jack for long periods of time. Oil may also leak from the vehicle leading to permanent damage to the road.
- 2.2 Where it is confirmed that an offence is being committed under Part 2, Section 4 of the Clean Neighbourhoods and Environment Act 2005 to repair a car on the road in the course of a business, officers would always seek to communicate directly with such individuals in the first instance.
- 2.3 A person who carries out "restricted works" on a motor vehicle on a road is guilty of an offence.
- 2.4 Restricted works includes:-
 - repairing, maintenance, servicing, improvement or dismantling of a motor vehicle or of any part of or accessory to a motor vehicle; and
 - works for the installation, replacement or renewal of any such part or accessory.
- 2.5 Only businesses or those carrying out restricted works for gain or reward will be guilty of this offence unless the activity gives reasonable cause for annoyance to persons in the vicinity. There is a statutory defence if a person can prove that the works were being carried out within 72 hours following an accident or breakdown. Roadside assistance organisations or mechanics repairing broken down vehicles at the roadside are exempt as long as the work is completed within 72 hours.
- 2.6 Businesses that repair vehicles on the road and cannot prove the repairs are being carried out within 72 hours of an accident or breakdown will be sent a warning letter in the first instance.
- 2.7 'Road' is defined in the Act to have the same meaning as in the Road Traffic Regulation Act 1984 namely:-

"any length of highway or of any other road to which the public has access, and includes bridges over which a road passes".

Proposed Restrictions to Control the Repair of Vehicles on the Public Highway

2.8 'Motor vehicle' is defined in the Act to have the same meaning as in the Refuse Disposal (Amenity) Act 1978 namely:-

“a mechanically propelled vehicle intended or adapted for use on roads, whether or not it is in a fit state for such use, and includes any trailer intended or adapted for use as an attachment to such a vehicle, any chassis or body, with or without wheels, appearing to have formed part of such a vehicle or trailer and anything attached to such a vehicle or trailer”.

2.9 The Act allows any person authorised by a Local Authority who has reason to believe that a person has committed an offence under section 4 (repair of vehicles on the road) in the area of that authority to give that person a notice offering him the opportunity of discharging any liability to conviction for that offence by payment of a fixed penalty notice. If the person served with the fixed penalty notice fails to pay within 14 days, the Local Authority may consider prosecution. A prosecution may not be instigated if the fixed penalty notice is paid.

2.10 £100 is the proposed amount of the penalty under Part 2 section 6(8) of the Clean Neighbourhoods and Environment Act 2005 although section 6(9) allows an amendment of that amount by order.

2.11 A person found guilty of an offence under Part 2 section 4 of the Act, is liable on summary conviction to a fine up to level 4 on the standard scale, currently £2,500.

2.12 If the offence continues we will also consider prosecution. Fixed penalty notices will be offered for first offences only.

2.13 Part 2, section 7 of the Act also makes provision for an additional power available to Local Authority officers to require the name and address of an offender when the officer proposes to issue a fixed penalty notice. This further offence under section 7 attracts a fine of up to £1000 on summary conviction if a person fails to give the information or gives false information.

2.14 'Local Authority' is defined at Part 2 section 9 to mean a district or county council in England. Authorised officer is also defined at section 9 to mean an employee of a local authority who has been authorised in writing by the authority for the purposes of giving notices under section 6 of the Clean Neighbourhoods and Environment Act 2005.

3.0 Proposal

3.1 It is proposed that Council:

- Sets a fixed penalty amount of £100 per penalty notice where it is considered that a person has committed an offence under part 2 of section 4 of the Clean Neighbourhoods and Environment Act 2005.

4.0 Implications

Financial

4.1 Whilst the use of fixed penalty notices has the potential of yielding a modest income. In accordance with the Regulations, fixed penalty notice receipts will be used for the purpose of exercising functions to improve street cleanliness and enforcement of offences.

4.2 It is not envisaged that the revenue generated from the fines will be significant, but it will reduce the need to pursue costly prosecution in some cases and enable a more flexible approach in dealing with specific offences under the Clean Neighbourhoods and Environment Act 2005.

Proposed Restrictions to Control the Repair of Vehicles on the Public Highway

Human Resource/Training and Development

- 4.3 The implementation of one additional fixed penalty option will have no significant impact on current departmental resources.

Community Safety

- 4.4 There are no adverse community safety implications. Improvements to personal accessibility and the wider public realm are likely to have a positive effect upon access and public safety.

Risk Management

- 4.5 All Authorised Officers are fully trained and competent in serving fixed penalty notices. Any new staff will be assessed to ensure that relevant training is provided in relation to enforcement and the serving of fixed penalty notices.

Sustainability

- 4.6 Implementation of the proposal will aim to reduce nuisance to local residents by inappropriate use of the public highway.

Equalities

- 4.7 The proposals set out in the report have been the subject of an Equality Impact Assessment and no adverse implications have been identified.

Safeguarding

- 4.8 There are no safeguarding issues arising from this report.

5.0 Consultations

- 5.1 The Portfolio Holder for Environment has been consulted in the drafting of this report.

6.0 Conclusions

- 6.1 The introduction of a fixed penalty notice for carrying out restricted works on a motor vehicle on a road is considered a necessary and a proportionate response to the issues experienced by local residents and will equally save the time and expense of instigating prosecutions through the courts.

- 6.2 The recommended level of fine at £100 is a proportionate response in this case and appropriate use of powers available to the Council.

REPORT ENDS

EXECUTIVE – 11 OCTOBER 2018

HOUSING REVENUE ACCOUNT MEDIUM TERM FINANCIAL STRATEGY

Executive Summary

The Medium Term Financial Strategy (MTFS) outlines the cost pressures facing the Housing Revenue Account (HRA) to 2021/22. As discussed in the report there are a number of key factors which will effect the financial position of the HRA over this period. These include the impact of the Sheerwater Regeneration Scheme, the end of the rent reduction period, changes in Government policy, and the impact of the new build development schemes detailed in the Affordable Housing Update Report elsewhere on the agenda. The changes which have occurred since the introduction of Self-financing, and the combination of these key issues, mean it is relevant to now consider the HRA MTFS.

Previously the elements of HRA MTFS were reported as part of the budget report and any significant budget variances highlighted in the Green Book. This paper consolidates the reporting of the HRA MTFS into a single report.

At the Conservative Party Conference on 3 October 2018 the Prime Minister announced that the Government was scrapping the cap on how much Councils can borrow against their Housing Revenue Account assets. No details are available concerning when the cap will be scrapped or what the new arrangements will be. This report was prepared prior to this announcement.

Recommendations

The Executive is requested to:

RECOMMEND to Council That

the Housing Revenue Account Medium Term Financial Strategy report be approved.

Reasons for Decision

Reason: To approve the proposed use of HRA resources and set a framework for preparing the detailed revenue and Housing Investment Programme budgets for 2019/20 onwards.

The item(s) above will need to be dealt with by way of a recommendation to Council.

Background Papers: None.

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Housing Revenue Account Medium Term Financial Strategy

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Date Published: 5 October 2018

Housing Revenue Account Medium Term Financial Strategy

1.0 Introduction

- 1.1 On the 8 February this year the Council approved the HRA 2018/19 Budget and the Housing Investment Programme as part of the overall Council Investment Programme.
- 1.2 This paper outlines the HRA Medium Term Financial Strategy which identifies the financial risks facing the HRA to 2021/22. Previously the elements of the financial strategy were reported as part of the budget report and any significant budget variances highlighted in the Green Book. This paper formalises the reporting of the medium term financial position of the HRA.
- 1.3 The cost pressures facing the HRA are outlined in the summary forecast in section 10 of this report and are explained below.

2.0 Changes Since The 2018/19 Budget Report

- 2.1 Since the budget was approved a number of variations have occurred altering the estimated 2018/19 year end position. These changes are listed below;
- 2.2 When HRA properties within the Sheerwater Red Line become void they are being held as vacant to facilitate the commencement of the Sheerwater Project. The full year effect of these properties remaining vacant to the financial year end is £336,360.
- 2.3 New Vision Homes are forecasting an estimated under spend of £50,000 on responsive repair costs. 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. However responsive repairs expenditure can be seasonal and may increase over the winter period.

3.0 New Build Schemes

- 3.1 The calculations explained below are based on the assumption that the HRA bids detailed in the Affordable Housing Update report are successful.
- 3.2 As detailed in the same report the HRA is delivering a number of new build schemes to increase the local affordable housing supply. Each of these developments will impact on the HRA Operating Account and the level of surplus or deficit they provide will be dependent on; the interest costs on the borrowing incurred in constructing the units, the rent level set, and the cost to maintain & manage the properties. As these schemes will be provided through the HRA it is proposed that the new units will be let at social rent in order to assist those with housing need as much as possible. Social rents are estimated to be 40% to 60% of market rents and the additional rental income generated is unlikely to cover the management, maintenance, and interest costs attributable to the dwellings. The net cost of these developments will therefore be subsidised by HRA surpluses. The estimated impact of the developments is included in the Summary Forecast in Section 9 and the assumptions used to calculate this impact are explained below.
- 3.3 The 2018/19 Budget assumed there would be additional borrowing of £7,481,000 to fund new build developments and HRA street purchases across 2017/18 to 2018/19. Due to the additional activity it is now estimated there will be £10,851,000 borrowing over this period with a further £19,691,000 borrowed for 2019/20. This is based on all the developments under sections 1 and 2 of Appendix A to Affordable Housing Expenditure report being carried out through the HRA.

Housing Revenue Account Medium Term Financial Strategy

- 3.4 It is estimated there will be additional interest costs of £480,000 in 2018/19 and £315,000 in 2019/20 (£795,000 in total) above the amount budgeted in 2018/19. This is based on an assumed interest rate of 2.95% for 2018/19 and 3.20% for 2019/20.
- 3.5 As these will be new build properties the rents will be let at the higher end of the social rent range. The highest rent allowable under social rent is at the bedroom cap level. The bedroom cap level, less 1% for each year of the 4 year rent reduction period, has been assumed for the rent on the new builds:

Number of bedrooms	Rent cap	Assumed Rent Level For New Build
1 and bedsits	£141.43	£135.85
2	£149.74	£143.84
3	£158.06	£151.83
4	£166.37	£159.82
5	£174.69	£167.80
6 or more	£183.00	£175.80

- 3.6 The formula for setting social rents is based on a 1999 valuation for the property. Once these schemes have completed, and the 1999 valuation can be determined, the rent levels above may change. A 1% allowance for voids and bad debts has been assumed which is consistent with other HRA properties.
- 3.7 The cost of maintaining and managing these properties has been calculated using the actual unit management costs under the New Vision Home contract and by using average costs for repairs, voids, maintenance, and major repairs allowance. It has been assumed that all support costs will be recharged through a service charge. The additional support costs for the Old Woking Sheltered Housing Scheme (OWSHS) will be significant and the recharge process for these will need to be reviewed when more details around the support arrangements are known. On this basis it is estimated that the total management and maintenance costs per unit will be £2,334 per annum.

3.8 The table below summarises the net cost of these schemes.

Development	Weekly Rent	Rent Per Annum less 1% Voids	Mgt & Maintenance	Surplus Per Unit	No Of Units	Surplus	Borrowing Cost	Net Surplus(+) / Cost (-)
Rydens Way	£151.83	£7,816	-£2,334	£5,482	7	£38,377	-£55,478	-£17,101
Hawthorne Road	£159.82	£8,228	-£2,334	£5,894	5	£29,469	-£40,198	-£10,729
OWSHS	£135.85	£6,994	-£2,334	£4,660	57	£265,610	-£415,587	-£149,977
Monument Way	£135.85	£6,994	-£2,334	£4,660	54	£251,631	-£341,140	-£89,509
Eden Grove Road	£151.83	£7,816	-£2,334	£5,482	2	£10,965	-£13,798	-£2,833
Lockwood Path	£159.82	£8,228	-£2,334	£5,894	4	£23,575	-£25,043	-£1,468
Bonsey Lane	£139.85	£7,199	-£2,334	£4,866	14	£68,121	-£77,952	-£9,831
Total					143	£ 687,749	-£969,198	-£281,449

4.0 Rental Income

- 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 under the Welfare Reform and Work Act a compulsory 1% rent reduction period was introduced from 2016/17 to 2019/20. This reduces HRA rental income by approximately £180,000 against

Housing Revenue Account Medium Term Financial Strategy

the previous years rent. The impact of the final year's rent reduction is included on in the Summary Forecast. Had rents increased under the former CPI + 1% guidance the HRA would be better off by an estimated £5,147,000 over the 4 year rent reduction period.

- 4.2 However in October 2017 the Government announced that they would be providing a long term rent deal. Local Authorities and housing associations will be able to increase rents by CPI + 1% following the end of the rent reduction period (so from 2020/21 onwards). Based on a CPI of 2% this means rents will increase by approximately £525,000 in 2020/21. The rent increases from 2020/21 are included in the Summary Forecast.
- 4.3 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 it is estimated 20 properties per annum will be disposed of over the MTFS period. The estimated lost net rental income due to these disposals is approximately £60,000 per annum.
- 4.4 As part of the Housing and Planning Act the Government announced the Higher Value Void levy. Under these arrangements Councils would be required 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. Under this summer's Social Housing Green Paper the Government abandoned the High Value Void Levy. Therefore no provision for the Levy is made in this MTFS.

5.0 Contractual Inflation and the New Vision Homes Contract

- 5.1 Offsetting the future rent increases discussed above is the inflation on the costs built into the HRA operating account. These costs include direct costs such as the New Vision Homes housing management contract and the Serco Grounds maintenance contract, and also indirect costs such as staff time in supporting HRA services (e.g. customer services, IT, and Finance staff costs). Different schedules within the NVH contract are inflated using different indices and staff pay increases are determined based on the overall financial position of the Council. Therefore the different cost elements within the HRA will increase at different rates.
- 5.2 For MTFS purposes it is assumed all HRA expenditure, other than borrowing costs, will be increased in line with CPI. This should be a prudent approach as any increases higher than CPI should be offset by savings opportunities\reviews on other areas of spend.
- 5.3 A CPI of 2% has been assumed which is line with the CPI assumptions in the Sheerwater cost model reported to Council in April 2018.

6.0 Sheerwater Regeneration

- 6.1 Under the Sheerwater Regeneration approximately 406 HRA dwellings will be demolished. The vacant land will be transferred to Thameswey Developments Ltd and the replacement affordable housing dwellings transferred to Thameswey Housing Ltd. The HRA will therefore lose the rental income from these 406 dwellings.
- 6.2 The total lost rental income from the demolished dwellings under the Sheerwater Regeneration is estimated to be £2,034,000. This will be partly offset by savings on repairs and maintenance costs of approximately £759,000.
- 6.3 £13,000,000 has been built into the Sheerwater Regeneration financial model to compensate the HRA for the debt taken on for the redline dwellings under the self-financing settlement payment (when the HRA was obliged to pay £98m to buy itself out of the old housing subsidy system). This report assumes the £13,000,000 will be used to repay debt providing an estimated annual saving of approximately £483,600.

Housing Revenue Account Medium Term Financial Strategy

- 6.4 The HRA is budgeted to make an additional Revenue Contribution To Capital Outlay (RCCO) of £1,120,000 in 2018/19. This RCCO is optional and is essentially using the HRA surplus for the year on additional investment in the stock. As shown in the Summary Forecast this will need to be reduced in 2019/20 in order to mitigate the cost pressures in that year. Under the Sheerwater project the RCCO will be reduced to nil in order for the HRA to mitigate the lost income from the demolition of the dwellings.
- 6.5 Preliminary calculations estimate the net impact of the Sheerwater Project to be approximately £791,000. However full modelling of the project still needs to be completed and this figure will change depending on the final project details. This calculation assumes that all the dwellings are demolished on day 1 of the project. In reality the demolition will take place over a number of phases spreading the impact on the HRA into the later years of the MTFs when the HRA surpluses are forecast to be higher.
- 6.6 The removal of the RCCO and the £497,000 saving on the Major Repairs Contribution for the demolished dwellings will see a combined estimated reduction in the Asset Management Plan budget of £1,617,000.

7.0 Item 8 Interest Costs

- 7.1 HRA interest charges for pre 2016/17 borrowing are fixed at the Council's average borrowing rate at 31 March 2016. The new HRA borrowing taken on to fund the affordable housing developments is 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. The estimated interest costs relating to this new borrowing are included in the Summary Forecast.
- 7.2 As detailed above the MTFs assumes the £13m capital receipt under the Sheerwater Project will be used to repay borrowing. The MTFs makes no other allowance for repayment of the debt taken on for Self-Financing or for the repayment of the borrowing relating to the new build developments.

8.0 Reserves Position

- 8.1 As outlined above HRA Rental income will reduce significantly under the Sheerwater Regeneration. The majority of the existing balance on the HIP reserve has been earmarked to maintain the surplus on the HRA Operating Account during the early years of the regeneration. The remainder will be used to help finance the committed development schemes if the bids to increase the HRA borrowing cap are not successful.
- 8.2 It is estimated sufficient resources have been identified to cover the committed development schemes. However this will utilise all available HRA resources. As detailed in the Affordable Housing Expenditure Update report the Chief Finance Officer has determined to 'switch on' retaining one for one replacement receipts in order to finance the new developments. There is a risk that insufficient one for one receipts will be received in time to finance 30% of the new build and the HRA may have to provide interim financing.
- 8.3 As reported in the Green Book the HRA continues to incur significant expenditure in preparation of the Sheerwater Project. While this will eventually be recharged to the project it is temporarily financed by the HRA. The timing of this recharge will impact on the HRA's ability to deliver the new build schemes particularly if the HRA is to initially finance the demolition costs prior to the red line land being transferred to Thamesway Developments Ltd. Officers will need to ensure the construction timing of the developments is aligned with the financing timing of available resources.

Housing Revenue Account Medium Term Financial Strategy

9.0 Summary Forecast

9.1 The table below sets out the impact of the assumptions outlined in the sections above.

Cost Pressure	2019/20	2020/21	2021/22	2022/23	Total
	£'000	£'000	£'000	£'000	£'000
Prior Year Estimated Surplus (-)	-46	0	-23	-228	
Year 4 Final Rent Reduction	177	0	0	0	177
Rent Increases (CPI + 1%)	0	-525	-539	-554	-1,618
Net Rent Loss Due to RTB	58	61	64	67	250
Repairs Saving	-50				
New Build Developments:					
Additional Financing Costs *	480	315			795
Rydens Way	-38				-38
Hawthorne Road	-29				-29
High Street Old Woking	-133	-133			-266
Monument Way	-126	-126			-252
Eden Grove Road	-5	-5			-11
Lockwood Path	-12	-12			-24
Bonsey lane	-34	-34			-68
	<u>-378</u>	<u>-310</u>			<u>-688</u>
Contractual Inflation	260	265	270	275	1,069
Sheerwater - Net Loss Of Rental Income	0	791			791
RCCO Saving	-500	-620			-1,120
Estimated Surplus (-):	<u>0</u>	<u>-23</u>	<u>-228</u>	<u>-440</u>	**

* These are the additional interest costs above the budget (not the total costs relating to the new build developments).

** Future surpluses will be earmarked to be invested in the stock or used for further new build development.

10.0 Conclusion

10.1 This MTFS considers the period to 2021/22. The HRA 30 Year Business Plan will be updated to reflect the changes discussed in the report. The interest rates relating to the Council's self-financing debt are fixed however rent increases in the long term are forecast to increase by CPI + 1%. Therefore, as rents increase over the business plan period, it is likely that the surpluses on the HRA will grow. Nevertheless, following the completion of the new build developments and the commencement of the Sheerwater project, these surpluses are forecast to be low. Factors such as future legislation changes may also place further pressures on the HRA.

11.0 Implications

Financial

11.1 The financial implications are detailed within the report.

Human Resource/Training and Development

11.2 No specific Human Resource or Training and Development implications.

Community Safety

11.3 No specific Community Safety implications.

Risk Management

11.4 There are a number of specific risks to the figures included in the forecast as set out in the report. There is an ongoing risk in the medium term of changes in government policy which could affect the General Fund as well as the Housing Revenue Account and Thamesway Group.

Sustainability

11.5 There are no sustainability implications.

Equalities

11.6 There are no equalities implications.

Safeguarding

11.7 There are no safeguarding implications.

12.0 Consultations

12.1 There have been no formal consultations on this paper.

REPORT ENDS

EXECUTIVE – 11 OCTOBER 2018

AFFORDABLE HOUSING EXPENDITURE UPDATE

Executive Summary

This report provides an update on the expenditure and activities undertaken in order to increase the supply of affordable housing in the Borough.

In recent decades the financial constraints on the Housing Revenue Account (HRA) have deterred local authorities from providing new build schemes. The Government has recently announced programmes which may help Woking deliver new affordable housing through the HRA. The paper updates the Executive on the Additional HRA Borrowing Programme and other programmes announced by the Government and the bids submitted by Woking.

At the Conservative Party Conference on 3 October 2018 the Prime Minister announced that the Government was scrapping the cap on how much Councils can borrow against their Housing Revenue Account assets. No details are available concerning when the cap will be scrapped or what the new arrangements will be. This report was prepared prior to this announcement.

Recommendations

The Executive is requested to:

RESOLVE That

- (i) the land at the eastern end of Monument Way West be appropriated from the General Fund to the HRA as detailed in the report;
- (ii) all Affordable Housing Section 106 contributions held by the Council are to be used on HRA or General Fund affordable housing developments;
- (iii) the Strategic Asset Manager be authorised to implement the Old Woking Sheltered Housing Development based on a budget of £15,000,000; and
- (iv) authority be given to the Strategic Asset Manager to implement the Monument Way Development, subject to the Additional Borrowing bid being successful, based on a budget of £14,871,000.

Reasons for Decision

Reason: To approve proposals to develop additional housing for the Housing Revenue Account.

The Executive has the authority to determine the recommendation(s) set out above.

Background Papers: None.

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Date Published: 5 October 2018

1.0 Introduction

- 1.1 This report provides an update on the expenditure and activities undertaken in order to increase the supply of affordable housing in the Borough. This includes detailing the new build development schemes identified by Council Officers. The report also updates the Executive on the bids submitted for the Additional Housing Revenue Account Borrowing Programme announced by the Government in June 2018.
- 1.2 Woking, along with the other local authorities in Surrey, demonstrates a significant need for affordable dwellings. Affordability is a major issue, with the ratio between entry level market housing at 11 times average incomes, making access to market homes beyond the financial reach of many local people. With regard to current housing needs, the Council's Housing Register of Applicants shows that there are 903 active applicants seeking affordable rented accommodation in the Borough.
- 1.3 Need is spread across all size and type of dwellings, with 44% of need for 1 bed dwellings, 33% for 2 bed dwellings, 17% for 3 bed dwellings and remainder for larger homes. The need for 1 bed dwellings is equally divided between those requiring sheltered/supported housing as well as for general needs, whereas need for 2 bed+ dwellings is predominantly for general needs. Accordingly, the portfolio of schemes discussed in this report will help to meet differing needs from single persons through to family accommodation. By providing these schemes through the HRA the new accommodation will be at social rent levels which will further assist those in housing need.
- 1.4 This report should be considered alongside the Housing Revenue Account (HRA) Medium Term Financial Strategy paper elsewhere on the agenda.

2.0 Government Schemes

- 2.1 In April 2012 Local Housing Authorities effectively bought themselves out of the former Housing Subsidy system. Under the former system there was little flexibility to implement new housing schemes. However the opportunities available under the new Self-financing arrangements were soon limited as constraints were placed on the Housing Revenue Account in the form of the HRA Borrowing Cap and a 4 year rent reduction period. For Woking the cap meant there could be no further borrowing in order to fund investment in the stock or to provide new housing. Moreover the rent reduction period meant the HRA surpluses were significantly less than those forecast under self-financing.
- 2.2 In recent years the Council has therefore used Thameswey Housing Ltd as a vehicle to achieve its affordable housing goals. However the Government have now introduced programmes which may provide additional flexibility and could potentially assist in implementing the development schemes discussed later in the report through the HRA.

Additional Housing Revenue Account (HRA) Borrowing Programme

- 2.3 In June 2018 the Ministry Of Housing, Communities and Local Government announced details on how to bid for the £1 billion Additional HRA Borrowing Programme. Under this programme local authorities in 'high affordability pressure areas' can bid to increase their borrowing cap in order to fund new build development schemes. The funding is aimed at projects commencing in 2019/20 onwards and bids will be assessed against value for money, affordability, and deliverability criteria.
- 2.4 It should be noted that, although WBC will need to bid for this headroom, the cost of the additional headroom is still to be met by the HRA. The Government would be giving the HRA authority to use its own resources – it is not awarding any additional funding through this programme. There are further limitations on the scheme in that only £500m of the programme is available to authorities outside of London. Whilst the Government has

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encouraged ambitious bids this £500m is to be divided between 162 authorities equating to £3.1m per authority.

- 2.5 Woking has submitted bids for an increase to the borrowing cap primarily for the Monument Way, Bonsey Lane, and Rydens Way\Sundridge Road developments. These projects are due to commence in 2019/20 and are a best fit for the funding criteria. If successful the projects will be funded by HRA Borrowing (70%) and retained one for one receipts (30%).
- 2.6 The Old Woking Sheltered Housing scheme detailed later in the report was originally intended to be funded by Section 106 Affordable Housing contributions. Although this project is due to commence in 2018/19, Officers still intend to submit an additional borrowing bid for this development. The bid has been made on the basis that if additional borrowing could be used to fund the project instead of section 106, the section 106 contributions saved could instead be used to provide additional affordable housing under the York Road and Your Sanctuary Schemes.
- 2.7 Bids will also be made for the other developments due to commence in 2018/19 on the basis that any additional borrowing granted for these projects would mean the Council would have more flexibility to pursue the small site developments identified by NVH (these are listed under the relevant section in appendix A and are discussed later in the report).

Shared Ownership and Affordable Homes Programme (SOAHP)

- 2.8 In June 2018 the Government confirmed that local authorities will be able to bid for a grant under the above programme to provide new build social rent properties. The grant can be combined with retained one for one replacement receipts or additional borrowing headroom but not both.
- 2.9 As discussed later in the report, the HRA's existing resources are already earmarked on committed development schemes. As this is grant funding the programme provides an opportunity to bid for uncommitted schemes which are not yet budgeted. A key element of the criteria for assessing bids is value for money. WBC would need to fund any additional development through 30% retained receipts and 70% social housing grant. This may not satisfy Homes England's Value For Money criteria as there is no contribution from WBC's own resources.

Rent Reductions

- 2.10 The Government also announced that rent increases would return to CPI + 1% for five years from 2020/21 following the end of the 1% rent reduction period. This provides greater confidence around future rental income and provides more security and certainty when planning investment.

3.0 Development Sites

- 3.1 As detailed below the Council has retained one for one receipts in order to provide replacement affordable housing. Officers have reviewed the land assets held by the authority, and other potential development sites around the Borough, to identify suitable new build affordable housing sites. This review has been carried out in consultation with New Vision Homes (NVH). Appendix A lists the development schemes identified and further details are provided below.

Rydens Way 2 and Hawthorne Road Developments

- 3.2 These schemes, comprising of 7 x 3 bedroom houses at Rydens Way and 5 x 4 bedroom houses at Hawthorne Road, are committed schemes under way in 2018/19 and due to complete in 2019/20.

The Old Woking Sheltered Housing Development (63 – 65 High Street Old Woking)

- 3.3 In 2017/18 the Council purchased the former Ian Allen Motors site for £4m. Planning permission has been submitted for a 57 unit Sheltered Scheme to be built on the site. This scheme was originally earmarked to be financed from retained one for one receipts (30%) and Section 106 Affordable Housing Contributions (70%). However, as detailed above, a bid has now been submitted to increase Woking's HRA debt cap in order to fund the 70% element of the project from borrowing instead.
- 3.4 Following a mini competition through the Southern Construction Framework Kier have been selected as the main contractor for the project. The estimated price will be subject to change until the project is fully detailed and the cost agreed. The estimated construction cost is £14,506,000 at this stage but may increase to £15,000,000 when the contract is finalised. The Executive is requested to resolve that authority be given to the Strategic Asset Manager to implement this development based on a budget of £15,000,000. If the Additional HRA Borrowing Programme bid is not successful it is proposed to still implement the project using section 106 contributions and one for one receipts to finance the scheme.

Monument Way Development

- 3.5 A site on the eastern end of Monument Way West has been identified to provide a 5 storey block of flats providing 54 x 1 bedroom units. The lease on the existing commercial property on the site has been taken back by the Council in preparation for the project.
- 3.6 Under the project a new road will be built providing a fourth arm to the west side of the Monument Road/Sheerwater Link Road junction, providing direct access to the Boundary Business Centre and closing access to the Business Park from Boundary Road and Walton Road. The cost of the road will be met by General Fund resources as the road will serve the wider public rather than just HRA tenants.
- 3.7 In order to carry out this project through the HRA, the land asset will need to be appropriated from the General Fund to the HRA. This report requests that this land is appropriated with effect from 2018/19 at market value as determined by the Strategic Asset Manager. Appendix B details the location of the land to be appropriated.
- 3.8 The estimated cost of this development is £14,871,000. There are not sufficient resources within the HRA in order to fund this scheme without increasing the borrowing cap. Therefore the Additional HRA Borrowing Programme bid would need to be successful in order to deliver this scheme through the HRA. The Executive is requested to resolve that authority be given to the Strategic Asset Manager to implement this development, subject to the Additional Borrowing bid being successful, based on a budget of £14,871,000.

Eden Grove Road, Lockwood Path, Bonsey Lane, and the Corner Of Rydens Way\Sundridge Road Developments

- 3.9 A total of 20 units will be provided under the Eden Grove Road, Lockwood Path, and Bonsey Lane developments consisting of the following:

Eden Grove Road: 2 x 3 bedroom houses

Lockwood Path: 4 x 3 bedroom houses

Bonsey Lane: 7 x 1 bedroom and 7 x 2 bedroom apartments

Plans for a new build scheme at the Corner Of Rydens Way and Sundridge are being drawn up by external consultants William Lacey. The final number of units has not yet been determined.

Knaphill Former Ambulance Station Development (Thames Valley Housing Association)

- 3.10 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. These receipts can also be passed to a Registered Provider (RP) for them to use on affordable housing with the RP funding the remaining 70% of the project cost.
- 3.11 Officers have been working with Thames Valley Housing Association (TVHA) to help fund a 15 unit development at the former ambulance site in Knaphill. WBC will pass approximately £1.1m in retained receipts to TVHA which will generate additional local affordable housing to the value of 3.7m.

Barnsbury Development

- 3.12 HRA Land in Barnsbury has been identified as a potential development site. To date no design work has been undertaken in bringing this project forward due to the size of the project and the constraints on HRA resources discussed earlier in the report.
- 3.13 As referred to under section 2 of this report, the Government have extended the Shared Ownership and Affordable Homes Programme to include grant funding for social rent. This new funding provides a potential resource to finance major new developments within the HRA. Through the Autumn Officers will be working on a bid under this Grant for a potential development in Barnsbury.

Small Site Developments

- 3.14 Under the Asset Management aspect of the Housing Services contract New Vision Homes have identified a number of potential small site developments on existing HRA land. As discussed in section 4 of this report no additional resource has been identified to fund these schemes.
- 3.15 A strategic objective of the NVH Asset Management Programme (AMP) is to provide new additional housing where possible. For instance the current AMP includes a project which demolishes a dwelling at Oak Tree Road in order to provide 4 additional new build units on the same site. Officers will work with New Vision Homes to continue to attempt to identify small site developments and fund them from existing Asset Management Plan budgets. If all the Additional HRA Borrowing Programme bids are successful this will release more resources which can be used to carry out these small site developments.

4.0 Project Financing

- 4.1 The Housing Investment Programme (approved by Council in February as part of the overall Investment Programme) included £13.6m for Developments and Property Purchases over 2018/19 and 2019/20. The projects detailed in this report will extend the development programme to an estimated £43.7m. The resources available to finance new build developments within the HRA are detailed below. If the bids outlined above are not

successful, or there are insufficient resources available within the HRA, certain development schemes may be progressed through Thamesway Housing Ltd.

Section 106 Affordable Housing Contributions

- 4.2 These have previously been used on the Kingsmoor Park PFI Scheme and to provide affordable accommodation through Thamesway. Due to the greater flexibility within the HRA it is now intended that these s106 contributions are used on HRA new build schemes. The Executive is asked to resolve that all s106 contributions held by the Council are to be used to help finance HRA or General Fund housing developments.

Retained One For One Replacement Receipts

- 4.3 These receipts can finance up to 30% of the cost of new affordable housing. However they currently need to be used within 3 years or returned to the Government with interest charged at 4% above the base rate. They can also not be passed on to a group company of the Council. As Woking previously had no headroom within the HRA borrowing cap Council determined on the 6 April 2017 that going forward these receipts should be passed back to the Government rather than being retained locally. On the same date the Council also resolved that the Chief Finance Officer be authorised to determine whether or not to retain future receipts.
- 4.4 Earlier this year the Chief Finance Officer determined to 'switch on' receiving receipts with effect from 1st April 2018. This was to enable the HRA to fund the committed schemes detailed in this report. The recent Government announcements mean the Council may be able to continue to retain these receipts if its funding bids are successful. There is a risk the HRA will not be able to build up enough receipts to fully finance 30% of the scheduled developments at the time of construction. Officers will need to discuss with the MHCLG whether any shortfall can be funded by WBC on an interim basis and future retained receipts replace this interim financing once received. Officers will also discuss whether the receipts passed back to the Government in 2017/18 can be reclaimed.

HRA Borrowing Headroom

- 4.5 As discussed above, Woking has submitted bids for additional headroom for the schemes outlined. There is also existing headroom within the cap generated by appropriating garage and commercial property assets from the HRA to the General Fund. The 2019/20 Budget Report will also request a further appropriation of HRA land. However this headroom is limited and needs to be apportioned between financing the committed schemes (detailed in appendix A) and for future investment in the Council's existing stock.

Housing Investment Programme (HIP) Reserve

- 4.6 As discussed in the HRA MTFs Report the existing HIP reserve balance is required to mitigate the financial impact of the Sheerwater project.
- 4.7 It is estimated that sufficient HRA resources have been identified to fund the committed schemes under section 1 of the attached schedule. In order to provide the other potential schemes the HRA is reliant on the bids outlined in this report being successful. Moreover the timing of the construction of these developments needs to be aligned with the timing of the funding resources becoming available. This includes the timing of one for one receipt income and the Government awarding funding\headroom in the appropriate year.
- 4.8 Officers are progressing all the outlined development schemes as far as possible as this will bring forward the construction phases and make the bids fit with the deliverability criteria in the Government's bid assessment process. If the Government funding is not forthcoming then the Council may look to progress these schemes through Thamesway Housing Ltd.

5.0 Earn Your Deposit Scheme

- 5.1 On the 14th August 2018 the Government released a consultation on changing the rules around the use of retained receipts. The consultation considers extending the time to use receipts from 3 years to 5 years and passing on the receipts to a group company. The wording in the consultation indicates that, if this policy change is carried through, the Government is likely to require that the group company tenants are given an option to become homeowners (it does not refer to the Right to Buy). This consultation therefore provides an opportunity to promote the Earn Your Deposit Scheme reported to the Executive on 1 February 2018.
- 5.2 Under the Scheme tenants share a proportion of the likely future property value uplift. The tenant may only then access these funds as a deposit for the purchase of their first home. A maximum deposit is set.

6.0 Conclusion

- 6.1 The development schemes outlined in this report would significantly increase the local affordable housing supply. The recent announcements by the Government have the potential to provide the HRA with the flexibility necessary to deliver these schemes. However this is dependent on the Government approving the bids. The full removal of the HRA borrowing cap would allow long-term investment in additional affordable housing and allow authorities to tackle the housing shortage locally.

7.0 Implications

Financial

- 7.1 The financial implications are detailed within the report.

Human Resource/Training and Development

- 7.1 No specific Human Resource or Training and Development implications.

Community Safety

- 7.2 No specific Community Safety implications.

Risk Management

- 7.3 There are a number of specific risks to the figures included in the forecast as set out in the report. There is an ongoing risk in the medium term of changes in government policy which could affect the General Fund as well as the Housing Revenue Account and Thamesway Group.
- 7.4 The development of HRA homes needs to be managed within the resources available to the HRA. The position needs to be closely monitored and alternative delivery plans considered should there be significant changes to the financial assumptions outlined in the report.

Sustainability

- 7.5 There are no sustainability implications.

Equalities

- 7.6 There are no equalities implications.

Safeguarding

7.7 There are no safeguarding implications.

8.0 Consultations

8.1 There have been no formal consultations on this paper.

REPORT ENDS

Appendix A: Potential Affordable Housing Developments:

Site	Units	Estimated Cost £'000
<u>1. Committed Schemes To Be Financed From Existing HRA Resources:</u>		
Rydens Way	7	2,687
Hawthorne Road	5	1,947
63-65 High Street Old Woking Purchase	-	4,047
63-65 High Street Old Woking Development	57	14,506
Committed Schemes Total	69	23,186
<u>Proposed Schemes Forming Bid For Additional HRA Borrowing</u>		
<u>2. Programme:</u>		
Monument Way	54	14,871
Eden Grove Road Development	2	616
Lockwood Path	4	1,118
Bonsey Lane	14	3,480
Corner Of Rydens Way\ Sundridge Road	4	500
Proposed Schemes Total	78	20,585
<u>Proposed Specialist General Fund Schemes To Be Financed By One for</u>		
<u>3. One Receipts and General Fund Borrowing\§106:</u>		
New Development For The York Road Project	35	7,000
Your Sanctuary Development	13	3,500
Specialist Schemes Total	48	10,500
<u>4. One For One Receipts Passed to Registered Provider:</u>		
Knaphill Ambulance Station (Thames Valley Housing Association)	15	1,100
Registered Provider Total	15	1,100
<u>5. Potential Development Sites Identified by NVH:</u>		
	49	7,640
Total	259	63,011



LOCATION PLAN
AS EXISTING - 1:1250



Fielding
Architecture

41 CHOBHAM ROAD, WOKING, SURREY, GU21 6JD
Tel : 01483 764407 Fax : 01483 783728
email : mail @ bbf-fielding.co.uk

CLIENT

Rutland (Woking) Limited

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Old Depot
Monument Way West
Woking, GU21 5EN

EXECUTIVE – 11 OCTOBER 2018

KESTREL WAY INDUSTRIAL UNITS

Executive Summary

The former recycling centre and adjacent land off Kestrel Way and Sythwood is owned by Woking Borough Council and was part of the land, including the current Fire Station and Carhouse Allotments site that the Council and Rutland earmarked for development by its Joint Venture Company, Rutland Woking Limited (RWL).

RWL has brought forward and obtained Planning Consent for three industrial units off the Kestrel Way entrance. It has also submitted a Planning Application for development off Sythwood which has yet to be determined but is referred to in the Affordable Housing report elsewhere in the Agenda.

This report seeks Executive approval for the development of the Industrial Units for the Council by RWL. The total cost of the development is £3.5m with an annual cost of between £129,000 (2.75%) and £133,000 (2.9%) depending on which interest rate applies at the time of the investment. The annual income is projected at £156,500 based on two pre let units (Units 1 and 3) with one unit (Unit 3 at £39,000) still to let; the forecast surplus is therefore between £27,000 and £23,000 depending upon the interest rate.

There is a possibility of a charitable organisation wishing to use Unit 2 but it would not be able to pay the rent that is sought. If the Executive approves the proposal set out herein negotiations will be held with the Charity and a report submitted to the Executive for consideration at its meeting in December when it considers support for voluntary organisations.

The Executive is requested to authorise the development of the industrial units at Kestrel Way by Rutland Woking and an Investment Programme Budget, financed by Loan, of £3.5m.

Recommendations

The Executive is requested to:

RESOLVE That

- (i) the development by Rutland Woking Limited of Industrial Units at Kestrel Way be approved; and
- (ii) an Investment Programme Budget of £3.5m, to be financed by a 50 years PWLB Annuity Loan, be approved.

Reasons for Decision

Reason: To provide additional industrial units in support of local business activity.

The Executive has the authority to determine the recommendation(s) set out above.

Background Papers: None.

Reporting Person: Ray Morgan, Chief Executive
Email: ray.morgan@woking.gov.uk, Extn: 3333

Contact Person: Ray Morgan, Chief Executive
Email: ray.morgan@woking.gov.uk, Extn: 3333

Portfolio Holder: Councillor Ayesha Azad
Email: cllrayesha.azad@woking.gov.uk

Shadow Portfolio Holder: Councillor Ann-Marie Barker
Email: cllrann-marie.barker@woking.gov.uk

Date Published: 5 October 2018

1.0 Introduction

- 1.1 The former recycling centre and adjacent land off Kestrel Way and Sythwood is owned by Woking Borough Council and was part of the land, including the current Fire Station and Carhouse Allotments site that the Council and Rutland earmarked for development by its Joint Venture Company, Rutland Woking Limited (RWL).
- 1.2 RWL has brought forward and obtained Planning Consent for three industrial units off the Kestrel Way entrance; a copy of the Block Plan for the site is attached at Appendix 1. RWL has also submitted a Planning Application for development off Sythwood which has yet to be determined but is referred to in the Affordable Housing report elsewhere in the Agenda.

2.0 Proposed Development

- 2.1 There are three Industrial Units proposed for Kestrel Way as outlined in the Block Plan above. The cost of the development, which has been subject to tender, is £3.5m. The three industrial units are as follows:-

	Sq.Ft.	Rate (£)	Rent £	
Unit 1	6,544	11.00	72,000	Pre Let
Unit 2	2,683	14.54	39,000	To let
Unit 3	3,116	14.60	45,500	Pre Let
Total	12,343		156,500	

- 2.2 As outlined above the annual income is projected at £156,500 based on two pre let units (Units 1 and 3) with one unit (Unit 3 at £39,000) still to let.
- 2.3 There is a possibility of a charitable organisation wishing to use Unit 2 but it would not be able to pay the rent that is sought. If the Executive approves the proposal set out herein negotiations will be held with the Charity and a report submitted to the Executive for consideration at its meeting in December when it considers support for voluntary organisations.

3.0 Implications

Financial

- 3.1 The annual cost to finance the £3.5m investment, depending on the interest rate charged for the PWLB Annuity Loan is between £129,000 (2.75%) and £133,000 (2.9%) depending on which interest rate applies at the time of the investment.
- 3.2 The annual income is forecast at £156,500, see 2.1 above; the forecast surplus is therefore between £27,000 (2.75%) and £23,000 (2.9%) depending upon the interest rate achieved.
- 3.3 The financial summary is attached at Appendix 2 (2.75%) and Appendix 3 (2.9%).

Human Resource/Training and Development

- 3.4 There are no human resources or learning and development issues raised by this report.

Community Safety

- 3.5 Community Safety issues will be addressed in the implementation of the project.

Risk Management

- 3.6 Risk Management issues will be addressed in the implementation of the project.
- 3.7 There is a risk that the letting of Unit 2 may be delayed or that the Council decides to let it below market value which will reduce the return for the Council.

Sustainability

- 3.8 The proposals herein add to the economic sustainability of the Borough through the provision of new industrial unit space.

Equalities

- 3.9 There are no equalities issues raised by this report and the development will meet all accessibility standards.

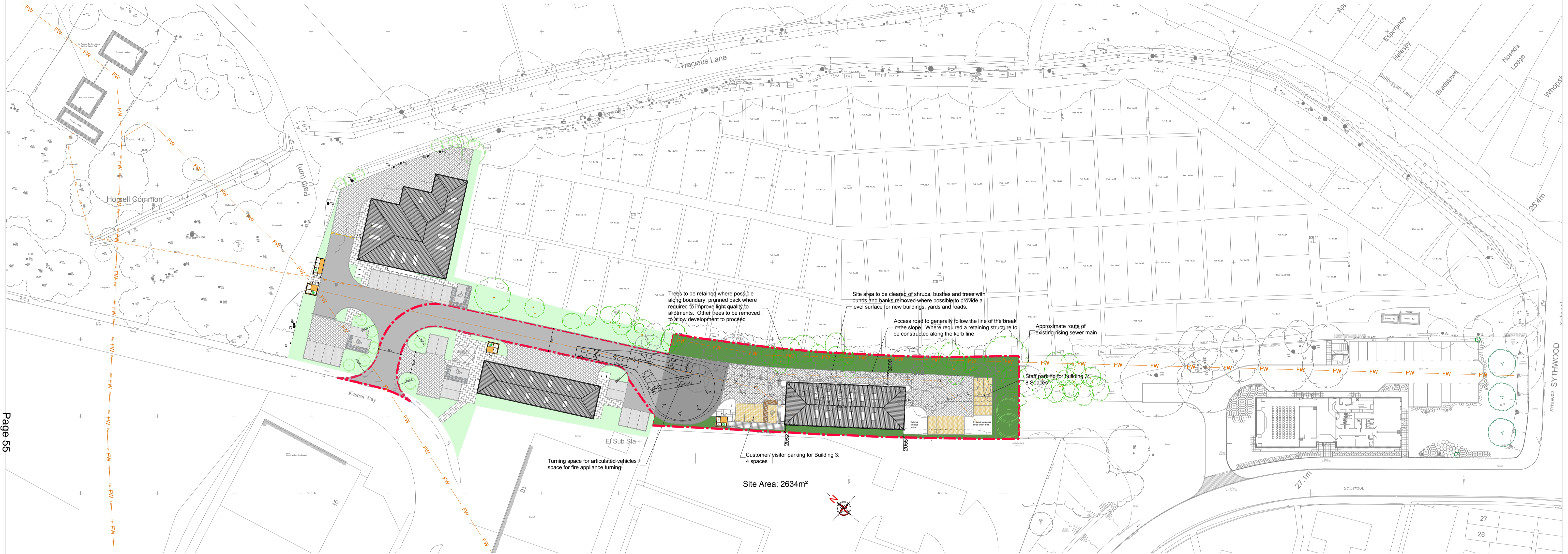
Safeguarding

- 3.10 There are no safeguarding issues raised by this report.

4.0 Consultations

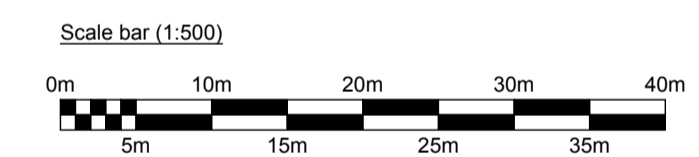
- 4.1 The Leader of the Council and the Portfolio Holder have been consulted in the preparation of this report.

REPORT ENDS



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- Legend**
- Parking space 2.4m x 4.8m
 - Disabled Parking space 3.6m x 6m
 - Refuse store min. 3No 1100 litre wheelle bins
 - New access road - Tarmacadam finish
 - Block pavers - Charcoal with parking spaces marked in Natural
 - Concrete paving slab paths
 - Concrete finish
 - Items demolished/ removed



Rev.	Description	Drawn	Date
A	Drawing updated arboricultural information added	wp	20/01/17

Revisions

BBF Fielding Architecture
41 CHOBHAM ROAD, WOKING, SURREY. GU21 6JD
Tel : 01483 764407 Fax : 01483 763728
email : mail@bbf-fielding.co.uk

CLIENT
Rutland (Woking) Ltd

PROJECT
New Industrial Unit - Phase 2
Kestrel Way
Woking, Surrey

DRAWING TITLE
Block Plan

SCALE	1:500 @ A1, 1:1000 @ A3		
DATE	February - 2016	DRN.	CHK.
JOB / DRAWING No.	12840.20/1[PL] 002	REV.	A

PWLB 50 year annuity @ 2.75%

	£
Construction	3,450,468
Say	3,500,000

Schedule of Payments of interest and loan instalments

Loan Number		Total
Interest		2.75%
Capital Sum	£	3,500,000
Loan Advanced on	30 November 2018	
Advance over		50 years
Interest Payable Dates		01/01/2019 01/07/2019

			Rent	
	Sq.Ft.	Rate (£)	£	
Unit 1	6,544	11.00	72,000	Pre Let
Unit 2	2,683	14.54	39,000	To let
Unit 3	3,116	14.60	45,500	Pre Let
Total	12,343		156,500	
Annual Cost			129,233	
Annual Surplus			27,267	0.78%

Loan No.	Advance Date	Due Date	Principal	Interest	Payment	Instal Number	Principal o/s
		01/01/2019	£16,491.32	£48,125.00	£64,616.32	1	3,483,508.68
		01/07/2019	£16,718.08	£47,898.24	£64,616.32	2	3,466,790.60
		01/01/2020	£16,947.95	£47,668.37	£64,616.32	3	3,449,842.64
		01/07/2020	£17,180.99	£47,435.34	£64,616.32	4	3,432,661.66
		01/01/2021	£17,417.23	£47,199.10	£64,616.32	5	3,415,244.43
		01/07/2021	£17,656.71	£46,959.61	£64,616.32	6	3,397,587.72
		01/01/2022	£17,899.49	£46,716.83	£64,616.32	7	3,379,688.22
		01/07/2022	£18,145.61	£46,470.71	£64,616.32	8	3,361,542.61
		01/01/2023	£18,395.11	£46,221.21	£64,616.32	9	3,343,147.50
		01/07/2023	£18,648.05	£45,968.28	£64,616.32	10	3,324,499.45
		01/01/2024	£18,904.46	£45,711.87	£64,616.32	11	3,305,595.00
		01/07/2024	£19,164.39	£45,451.93	£64,616.32	12	3,286,430.60
		01/01/2025	£19,427.90	£45,188.42	£64,616.32	13	3,267,002.70
		01/07/2025	£19,695.04	£44,921.29	£64,616.32	14	3,247,307.66
		01/01/2026	£19,965.84	£44,650.48	£64,616.32	15	3,227,341.82
		01/07/2026	£20,240.37	£44,375.95	£64,616.32	16	3,207,101.44
		01/01/2027	£20,518.68	£44,097.64	£64,616.32	17	3,186,582.77
		01/07/2027	£20,800.81	£43,815.51	£64,616.32	18	3,165,781.95
		01/01/2028	£21,086.82	£43,529.50	£64,616.32	19	3,144,695.13
		01/07/2028	£21,376.77	£43,239.56	£64,616.32	20	3,123,318.37
		01/01/2029	£21,670.70	£42,945.63	£64,616.32	21	3,101,647.67
		01/07/2029	£21,968.67	£42,647.66	£64,616.32	22	3,079,679.00
		01/01/2030	£22,270.74	£42,345.59	£64,616.32	23	3,057,408.26
		01/07/2030	£22,576.96	£42,039.36	£64,616.32	24	3,034,831.30
		01/01/2031	£22,887.39	£41,728.93	£64,616.32	25	3,011,943.91
		01/07/2031	£23,202.10	£41,414.23	£64,616.32	26	2,988,741.81
		01/01/2032	£23,521.12	£41,095.20	£64,616.32	27	2,965,220.69
		01/07/2032	£23,844.54	£40,771.78	£64,616.32	28	2,941,376.15
		01/01/2033	£24,172.40	£40,443.92	£64,616.32	29	2,917,203.75
		01/07/2033	£24,504.77	£40,111.55	£64,616.32	30	2,892,698.98
		01/01/2034	£24,841.71	£39,774.61	£64,616.32	31	2,867,857.26
		01/07/2034	£25,183.29	£39,433.04	£64,616.32	32	2,842,673.98
		01/01/2035	£25,529.56	£39,086.77	£64,616.32	33	2,817,144.42
		01/07/2035	£25,880.59	£38,735.74	£64,616.32	34	2,791,263.83
		01/01/2036	£26,236.45	£38,379.88	£64,616.32	35	2,765,027.38
		01/07/2036	£26,597.20	£38,019.13	£64,616.32	36	2,738,430.19
		01/01/2037	£26,962.91	£37,653.42	£64,616.32	37	2,711,467.28
		01/07/2037	£27,333.65	£37,282.68	£64,616.32	38	2,684,133.63
		01/01/2038	£27,709.49	£36,906.84	£64,616.32	39	2,656,424.14
		01/07/2038	£28,090.49	£36,525.83	£64,616.32	40	2,628,333.65
		01/01/2039	£28,476.74	£36,139.59	£64,616.32	41	2,599,856.91
		01/07/2039	£28,868.29	£35,748.03	£64,616.32	42	2,570,988.62
		01/01/2040	£29,265.23	£35,351.09	£64,616.32	43	2,541,723.39
		01/07/2040	£29,667.63	£34,948.70	£64,616.32	44	2,512,055.76
		01/01/2041	£30,075.56	£34,540.77	£64,616.32	45	2,481,980.21
		01/07/2041	£30,489.10	£34,127.23	£64,616.32	46	2,451,491.11

Loan No.	Advance Date	Due Date	Principal	Interest	Payment	Install Number	Principal o/s
		01/01/2043	£30,908.32	£33,708.00	£64,616.32	47	2,420,582.79
		01/07/2043	£31,333.31	£33,283.01	£64,616.32	48	2,389,249.48
		01/01/2044	£31,764.14	£32,852.18	£64,616.32	49	2,357,485.34
		01/07/2044	£32,200.90	£32,415.42	£64,616.32	50	2,325,284.43
		01/01/2045	£32,643.66	£31,972.66	£64,616.32	51	2,292,640.77
		01/07/2045	£33,092.51	£31,523.81	£64,616.32	52	2,259,548.26
		01/01/2046	£33,547.54	£31,068.79	£64,616.32	53	2,226,000.72
		01/07/2046	£34,008.81	£30,607.51	£64,616.32	54	2,191,991.91
		01/01/2047	£34,476.44	£30,139.89	£64,616.32	55	2,157,515.47
		01/07/2047	£34,950.49	£29,665.84	£64,616.32	56	2,122,564.99
		01/01/2048	£35,431.06	£29,185.27	£64,616.32	57	2,087,133.93
		01/07/2048	£35,918.23	£28,698.09	£64,616.32	58	2,051,215.70
		01/01/2049	£36,412.11	£28,204.22	£64,616.32	59	2,014,803.59
		01/07/2049	£36,912.77	£27,703.55	£64,616.32	60	1,977,890.82
		01/01/2050	£37,420.33	£27,196.00	£64,616.32	61	1,940,470.49
		01/07/2050	£37,934.85	£26,681.47	£64,616.32	62	1,902,535.64
		01/01/2051	£38,456.46	£26,159.86	£64,616.32	63	1,864,079.18
		01/07/2051	£38,985.24	£25,631.09	£64,616.32	64	1,825,093.94
		01/01/2052	£39,521.28	£25,095.04	£64,616.32	65	1,785,572.66
		01/07/2052	£40,064.70	£24,551.62	£64,616.32	66	1,745,507.96
		01/01/2053	£40,615.59	£24,000.73	£64,616.32	67	1,704,892.37
		01/07/2053	£41,174.05	£23,442.27	£64,616.32	68	1,663,718.31
		01/01/2054	£41,740.20	£22,876.13	£64,616.32	69	1,621,978.12
		01/07/2054	£42,314.12	£22,302.20	£64,616.32	70	1,579,663.99
		01/01/2055	£42,895.94	£21,720.38	£64,616.32	71	1,536,768.05
		01/07/2055	£43,485.76	£21,130.56	£64,616.32	72	1,493,282.29
		01/01/2056	£44,083.69	£20,532.63	£64,616.32	73	1,449,198.59
		01/07/2056	£44,689.84	£19,926.48	£64,616.32	74	1,404,508.75
		01/01/2057	£45,304.33	£19,312.00	£64,616.32	75	1,359,204.42
		01/07/2057	£45,927.26	£18,689.06	£64,616.32	76	1,313,277.16
		01/01/2058	£46,558.76	£18,057.56	£64,616.32	77	1,266,718.39
		01/07/2058	£47,198.95	£17,417.38	£64,616.32	78	1,219,519.45
		01/01/2059	£47,847.93	£16,768.39	£64,616.32	79	1,171,671.52
		01/07/2059	£48,505.84	£16,110.48	£64,616.32	80	1,123,165.68
		01/01/2060	£49,172.80	£15,443.53	£64,616.32	81	1,073,992.88
		01/07/2060	£49,848.92	£14,767.40	£64,616.32	82	1,024,143.96
		01/01/2061	£50,534.34	£14,081.98	£64,616.32	83	973,609.61
		01/07/2061	£51,229.19	£13,387.13	£64,616.32	84	922,380.42
		01/01/2062	£51,933.59	£12,682.73	£64,616.32	85	870,446.83
		01/07/2062	£52,647.68	£11,968.64	£64,616.32	86	817,799.15
		01/01/2063	£53,371.59	£11,244.74	£64,616.32	87	764,427.56
		01/07/2063	£54,105.45	£10,510.88	£64,616.32	88	710,322.12
		01/01/2064	£54,849.39	£9,766.93	£64,616.32	89	655,472.72
		01/07/2064	£55,603.57	£9,012.75	£64,616.32	90	599,869.15
		01/01/2065	£56,368.12	£8,248.20	£64,616.32	91	543,501.02
		01/07/2065	£57,143.18	£7,473.14	£64,616.32	92	486,357.84
		01/01/2066	£57,928.90	£6,687.42	£64,616.32	93	428,428.93
		01/07/2066	£58,725.43	£5,890.90	£64,616.32	94	369,703.51
		01/01/2067	£59,532.90	£5,083.42	£64,616.32	95	310,170.61
		01/07/2067	£60,351.48	£4,264.85	£64,616.32	96	249,819.13
		01/01/2068	£61,181.31	£3,435.01	£64,616.32	97	188,637.82
		01/07/2068	£62,022.55	£2,593.77	£64,616.32	98	126,615.26
		01/01/2069	£62,875.36	£1,740.96	£64,616.32	99	63,739.90
		01/07/2069	£63,739.90	£876.42	£64,616.32	100	0.00
			3,500,000.00	2,961,632.41	6,461,632.41		

PWLB 50 year annuity @ 2.9%

Construction	£	3,450,468
Say		3,500,000

Schedule of Payments of interest and loan instalments

Loan Number	Total
Interest	2.90%
Capital Sum	£ 3,500,000
Loan Advanced on 30 November 2018	
Advance over	50 years
Interest Payable Dates	01/01/2019 01/07/2019

	Sq.Ft.	Rate (£)	Rent £	
Unit 1	6,544	11.00	72,000	Pre Let
Unit 2	2,683	14.54	39,000	To let
Unit 3	3,116	14.60	45,500	Pre Let
Total	12,343		156,500	
Annual Cost			133,032	
Annual Surplus			23,468	0.67%

Loan No.	Advance Date	Due Date	Principal	Interest	Payment	Install Number	Principal o/s
		01/01/2019	£15,765.97	£50,750.00	£66,515.97	1	3,484,234.03
		01/07/2019	£15,994.58	£50,521.39	£66,515.97	2	3,468,239.44
		01/01/2020	£16,226.50	£50,289.47	£66,515.97	3	3,452,012.94
		01/07/2021	£16,461.79	£50,054.19	£66,515.97	4	3,435,551.15
		01/01/2021	£16,700.48	£49,815.49	£66,515.97	5	3,418,850.67
		01/07/2021	£16,942.64	£49,573.33	£66,515.97	6	3,401,908.03
		01/01/2023	£17,188.31	£49,327.67	£66,515.97	7	3,384,719.72
		01/07/2023	£17,437.54	£49,078.44	£66,515.97	8	3,367,282.19
		01/01/2024	£17,690.38	£48,825.59	£66,515.97	9	3,349,591.80
		01/07/2024	£17,946.89	£48,569.08	£66,515.97	10	3,331,644.91
		01/01/2025	£18,207.12	£48,308.85	£66,515.97	11	3,313,437.79
		01/07/2025	£18,471.13	£48,044.85	£66,515.97	12	3,294,966.66
		01/01/2026	£18,738.96	£47,777.02	£66,515.97	13	3,276,227.70
		01/07/2026	£19,010.67	£47,505.30	£66,515.97	14	3,257,217.03
		01/01/2027	£19,286.33	£47,229.65	£66,515.97	15	3,237,930.70
		01/07/2027	£19,565.98	£46,950.00	£66,515.97	16	3,218,364.72
		01/01/2028	£19,849.69	£46,666.29	£66,515.97	17	3,198,515.03
		01/07/2028	£20,137.51	£46,378.47	£66,515.97	18	3,178,377.53
		01/01/2029	£20,429.50	£46,086.47	£66,515.97	19	3,157,948.03
		01/07/2029	£20,725.73	£45,790.25	£66,515.97	20	3,137,222.30
		01/01/2030	£21,026.25	£45,489.72	£66,515.97	21	3,116,196.05
		01/07/2030	£21,331.13	£45,184.84	£66,515.97	22	3,094,864.92
		01/01/2031	£21,640.43	£44,875.54	£66,515.97	23	3,073,224.48
		01/07/2031	£21,954.22	£44,561.76	£66,515.97	24	3,051,270.26
		01/01/2032	£22,272.56	£44,243.42	£66,515.97	25	3,028,997.71
		01/07/2032	£22,595.51	£43,920.47	£66,515.97	26	3,006,402.20
		01/01/2033	£22,923.14	£43,592.83	£66,515.97	27	2,983,479.06
		01/07/2033	£23,255.53	£43,260.45	£66,515.97	28	2,960,223.53
		01/01/2034	£23,592.73	£42,923.24	£66,515.97	29	2,936,630.80
		01/07/2034	£23,934.83	£42,581.15	£66,515.97	30	2,912,695.97
		01/01/2035	£24,281.88	£42,234.09	£66,515.97	31	2,888,414.08
		01/07/2035	£24,633.97	£41,882.00	£66,515.97	32	2,863,780.11
		01/01/2036	£24,991.16	£41,524.81	£66,515.97	33	2,838,788.95
		01/07/2036	£25,353.53	£41,162.44	£66,515.97	34	2,813,435.42
		01/01/2037	£25,721.16	£40,794.81	£66,515.97	35	2,787,714.26
		01/07/2037	£26,094.12	£40,421.86	£66,515.97	36	2,761,620.14
		01/01/2038	£26,472.48	£40,043.49	£66,515.97	37	2,735,147.66
		01/07/2038	£26,856.33	£39,659.64	£66,515.97	38	2,708,291.32
		01/01/2039	£27,245.75	£39,270.22	£66,515.97	39	2,681,045.57
		01/07/2039	£27,640.81	£38,875.16	£66,515.97	40	2,653,404.76
		01/01/2040	£28,041.61	£38,474.37	£66,515.97	41	2,625,363.15
		01/07/2040	£28,448.21	£38,067.77	£66,515.97	42	2,596,914.94
		01/01/2041	£28,860.71	£37,655.27	£66,515.97	43	2,568,054.24
		01/07/2041	£29,279.19	£37,236.79	£66,515.97	44	2,538,775.05
		01/01/2042	£29,703.74	£36,812.24	£66,515.97	45	2,509,071.31
		01/07/2042	£30,134.44	£36,381.53	£66,515.97	46	2,478,936.87
		01/01/2043	£30,571.99	£35,944.58	£66,515.97	47	2,448,365.48
		01/07/2043	£31,014.68	£35,501.30	£66,515.97	48	2,417,350.81

Loan No.	Advance Date	Due Date	Principal	Interest	Payment	Install Number	Principal o/s
		01/01/2044	£31,464.39	£35,051.59	£66,515.97	49	2,385,886.42
		01/07/2044	£31,920.62	£34,595.35	£66,515.97	50	2,353,965.80
		01/01/2045	£32,383.47	£34,132.50	£66,515.97	51	2,321,582.33
		01/07/2045	£32,853.03	£33,662.94	£66,515.97	52	2,288,729.29
		01/01/2046	£33,329.40	£33,186.57	£66,515.97	53	2,255,399.89
		01/07/2046	£33,812.68	£32,703.30	£66,515.97	54	2,221,587.22
		01/01/2047	£34,302.96	£32,213.01	£66,515.97	55	2,187,284.26
		01/07/2047	£34,800.35	£31,715.62	£66,515.97	56	2,152,483.91
		01/01/2048	£35,304.96	£31,211.02	£66,515.97	57	2,117,178.95
		01/07/2048	£35,816.88	£30,699.09	£66,515.97	58	2,081,362.07
		01/01/2049	£36,336.22	£30,179.75	£66,515.97	59	2,045,025.84
		01/07/2049	£36,863.10	£29,652.87	£66,515.97	60	2,008,162.74
		01/01/2050	£37,397.61	£29,118.36	£66,515.97	61	1,970,765.13
		01/07/2050	£37,939.88	£28,576.09	£66,515.97	62	1,932,825.25
		01/01/2051	£38,490.01	£28,025.97	£66,515.97	63	1,894,335.24
		01/07/2051	£39,048.11	£27,467.86	£66,515.97	64	1,855,287.13
		01/01/2052	£39,614.31	£26,901.66	£66,515.97	65	1,815,672.82
		01/07/2052	£40,188.72	£26,327.26	£66,515.97	66	1,775,484.10
		01/01/2053	£40,771.46	£25,744.52	£66,515.97	67	1,734,712.64
		01/07/2053	£41,362.64	£25,153.33	£66,515.97	68	1,693,350.00
		01/01/2054	£41,962.40	£24,553.58	£66,515.97	69	1,651,387.60
		01/07/2054	£42,570.85	£23,945.12	£66,515.97	70	1,608,816.75
		01/01/2055	£43,188.13	£23,327.84	£66,515.97	71	1,565,628.61
		01/07/2055	£43,814.36	£22,701.61	£66,515.97	72	1,521,814.26
		01/01/2056	£44,449.67	£22,066.31	£66,515.97	73	1,477,364.59
		01/07/2056	£45,094.19	£21,421.79	£66,515.97	74	1,432,270.40
		01/01/2057	£45,748.05	£20,767.92	£66,515.97	75	1,386,522.35
		01/07/2057	£46,411.40	£20,104.57	£66,515.97	76	1,340,110.94
		01/01/2058	£47,084.37	£19,431.61	£66,515.97	77	1,293,026.58
		01/07/2058	£47,767.09	£18,748.89	£66,515.97	78	1,245,259.49
		01/01/2059	£48,459.71	£18,056.26	£66,515.97	79	1,196,799.78
		01/07/2059	£49,162.38	£17,353.60	£66,515.97	80	1,147,637.40
		01/01/2060	£49,875.23	£16,640.74	£66,515.97	81	1,097,762.17
		01/07/2060	£50,598.42	£15,917.55	£66,515.97	82	1,047,163.74
		01/01/2061	£51,332.10	£15,183.87	£66,515.97	83	995,831.64
		01/07/2061	£52,076.42	£14,439.56	£66,515.97	84	943,755.23
		01/01/2062	£52,831.52	£13,684.45	£66,515.97	85	890,923.70
		01/07/2062	£53,597.58	£12,918.39	£66,515.97	86	837,326.12
		01/01/2063	£54,374.75	£12,141.23	£66,515.97	87	782,951.38
		01/07/2063	£55,163.18	£11,352.79	£66,515.97	88	727,788.20
		01/01/2064	£55,963.05	£10,552.93	£66,515.97	89	671,825.15
		01/07/2064	£56,774.51	£9,741.46	£66,515.97	90	615,050.64
		01/01/2065	£57,597.74	£8,918.23	£66,515.97	91	557,452.90
		01/07/2065	£58,432.91	£8,083.07	£66,515.97	92	499,020.00
		01/01/2066	£59,280.18	£7,235.79	£66,515.97	93	439,739.81
		01/07/2066	£60,139.75	£6,376.23	£66,515.97	94	379,600.06
		01/01/2067	£61,011.77	£5,504.20	£66,515.97	95	318,588.29
		01/07/2067	£61,896.44	£4,619.53	£66,515.97	96	256,691.85
		01/01/2068	£62,793.94	£3,722.03	£66,515.97	97	193,897.90
		01/07/2068	£63,704.45	£2,811.52	£66,515.97	98	130,193.45
		01/01/2069	£64,628.17	£1,887.80	£66,515.97	99	65,565.28
		01/07/2069	£65,565.28	£950.70	£66,515.97	100	0.00
			3,500,000.00	3,151,597.46	6,651,597.46		

EXECUTIVE – 11 OCTOBER 2018

MONITORING REPORTS - PROJECTS

Executive Summary

The Executive receives quarterly reports on the progress of projects in the interests of financial prudence and to ensure open and transparent corporate governance.

This report details the status of projects as at the end of August 2018, incorporating capital and revenue projects, and is attached at Appendix 1.

As requested by the Executive the attached list includes only active projects and those closed during this reporting period. The agreed reporting protocol stipulates that projects overdue against the published end date will be classified as amber if the over-run is less than 25% of total project schedule and red if above this level.

The project management methodology includes a formal approval process to extend project timescales, where there are clear practical and business reasons to do so. Appendix 1 includes a column showing revised end date, reflecting application of the approval process. For completeness the original end date is retained on the report.

There are no specific areas for concern or action by the Executive.

Recommendations

The Executive is requested to:

RESOLVE That

the report be received.

Reasons for Decision

Reason: To monitor the position of active projects on SharePoint.

The Executive has the authority to determine the recommendation(s) set out above.

Background Papers: None.

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Date Published: 5 October 2018

1.0 Introduction

- 1.1 Attached at Appendix 1 is the report on projects at the end of August 2018 (produced from the SharePoint system).
- 1.2 All active projects continue to be included in the report for completeness. Members will note a number of projects are listed as showing delays in project being closed. This is to reflect the requirement that evaluation and closure of the project is necessary after it has been completed (normally after the defect period, which may be some time from completion of the actual delivery).
- 1.3 Projects completed during the period are included at the end of Appendix 1. These projects will be removed from the report next time it is published, as no further reporting is required on projects that have been formally closed.

2.0 Exceptional items

- 2.1 In accordance with Financial Regulations, the following projects are being reported to the Executive because project costs exceed the original or approved revised budget by the greater of £10k or 5%.
- 2.2 Project No. 10680. Horsell Village Improvements - Implementation Stage. No change since the exception report at 13/07/17 Executive.
- 2.3 Project No. 10785. Leisure Management Contract Investment Scheme. No change since the exception report at 20/11/2014 Executive.
- 2.4 Project No. 10897. Redevelopment of Unit 21 - 27 Commercial Way. No change since the exception report at 5/02/2015 Executive.
- 2.5 Project No. 10906. Sheerwater Link Road. No change since the exception report at the 21/07/2016 Executive.
- 2.6 Project No. 10911. Goldwater Lodge Fire Reinstatement Works. No change since the exception report at the 21/07/2016 Executive.
- 2.7 Project No. 10929. Muslim Burial Ground Peace Garden (Phase 2). No change since first on the exception report at 10/09/2015 Executive.
- 2.8 Project No. 10930. Goldsworth Park Rec Public Toilets. No change since first on the exception report at 4/02/2016 Executive.
- 2.9 Project No. 20061. Export House - WC and Lift Lobby Upgrade - Floors 2-14. Project is over budget due to overspend resulting from the need for additional plastering works that were required once the existing wall finishes were removed.
- 2.10 Project No. 20139. 18-19 High Street Refurbishments. No change since first on the exception report at 13/07/17 Executive.
- 2.11 Project No. 20152. Leisure Centre External Doors and Windows Rear Balcony. No change since first on the exception report at 01/20/2018 Executive.

3.0 Implications

Financial

- 3.1 No implications. The project listing includes costs related to each project.

Human Resource/Training and Development

3.2 No implications.

Community Safety

3.3 No implications. Community Safety is considered for every project as part of Project Workbook completion.

Risk Management

3.4 No implications. Risk management is considered for every project as part of Project Workbook completion. The SharePoint system also enables risks to be captured and managed by the project manager for each project.

Sustainability

3.5 No implications. Sustainability is considered for every project as part of Project Workbook completion.

Equalities

3.6 No implications. Equalities is considered for every project as part of Project Workbook completion.

Safeguarding

3.7 No implications.

4.0 Consultations

4.1 The report has been compiled in consultation with Project Managers.

REPORT ENDS

Project Report (as at end of August 2018)

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
10206	Playground Improvements Phase 4	Amber	The Play Strategy has been agreed and priorities for improvements and refurbishments of play areas have been determined. <u>There is a risk that there will be further delays as funding releases rely on receipt of section 106 agreements. The project is amber for budget as there was a slight overspend for additional works at Willow Way park.</u>	Amber	Green	Amber	Green	Arran Henderson	Geoff McManus	01/08/2007	30/04/2009	30/09/2018	£473,155	£475,720
10207	SPA Interim Strategy	Amber	Work is complete at Horsell Common under remit of Horsell Common Preservation Society. Footpath and boardwalk construction at White Rose Lane will now be considered under the Hoe Valley Flood Alleviation Scheme. All works at Brookwood Country Park have been completed, except interpretation boards, which will be completed once signage for White Rose Lane has also been approved. Project now needs to be closed down with final outputs delivered through other projects. <u>Project is amber due to delay in closure.</u>	Green	Green	Green	Amber	Arran Henderson	Geoff McManus	01/01/2007	01/12/2008	01/12/2017	£1,194,632	£1,046,739

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
10221	Private Finance Initiative	Amber	Financial close was achieved on 15th November 2013 when the various contracts were entered into between Kier, Thames Valley, Surrey County Council and Woking. The Homes and Communities Agency has now confirmed the level of PFI Credits granted to be £36.5m. Kier started on site on 18 November 2013. Procurement of the contract is now complete and the project has now entered the operational phase. All of the 224 PFI houses are now occupied by families nominated from the Council's housing register. 147 private sale homes have now been completed. <u>Project is amber for budget as although construction is complete, advisors are still required for outstanding issues. The project is over schedule as the early completion of the private sale wasn't achieved. The project is amber for risk as the Government announcement on Right to Buy may have an impact on the project.</u>	Amber	Green	Amber	Amber	Paola Capel-Williams	Ray Morgan	02/01/2005	31/12/2010	31/03/2018	£4,420,000	£4,487,477
10297	Local Development Framework	Green	The Development Management Policies DPD has now been adopted and is now part of the Development Plan for the area. Discussions are ongoing to review the timetable for the site allocations DPD to take into account further work requested by members of the Local Development Framework (LDF) Working Group. The DPD will be considered by the LDF Working Group and the intention is for it to be considered by Council on the 18th October. Subject to Council approval it is proposed that the DPD will be published for regulation 19 consultation in October/November.	Green	Green	Green	Green	Ernest Amoako	Douglas Spinks	01/04/2010	01/12/2014	31/03/2019	£389,550	£373,600

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
10614	H.G.Wells Replacement Cash System	Red	Tills are installed and operational. <u>Project is red due to delays caused by the supplier, staff availability and compatibility issues between the till software and citrix.</u> These have now been resolved. Project now needs to be closed.	Amber	Amber	Green	Red	Chris Norrington	Douglas Spinks	01/06/2010	01/10/2010	31/12/2016	£25,000	£19,569
10840	Goldsworth Park Recreation Ground and Lake Improvements- Feasibility Study	Red	Following the Playing Pitch Strategy it has been decided that there will no longer be additional football pitches included as part of the proposed improvements. Local residents, through the Goldsworth Park Community Association, have proposed a community led project to enhance the North Meadow where the pitches were originally proposed to go. The project team are currently awaiting a more detailed proposal from the Community Association before proceeding with the rest of the design proposal. <u>Project is red as over schedule due to changes in scope.</u>	Green	Green	Green	Red	Arran Henderson	Geoff McManus	01/01/2015	31/07/2015	31/07/2017	£11,434	£2,095
10865	SharePoint Implementation	Green	The scope of this project has been extended over the last 12 months to enable a full upgrade and migration to SharePoint 2016. This has enabled significant enhancements to be made. The migration is now nearing completion and will be followed by a final round of engagement with users to ensure that all areas are optimised.	Green	Green	Green	Green	Pino Mastromarco	Adele Devon	01/08/2012	28/09/2013	31/12/2018	£845,145	£791,308
10867	Gresham Mill SANG Proposal	Amber	Landscape architects have produced a draft site master plan in line with Natural England's Suitable Alternative Natural Green Space (SANG) guidelines. <u>Project is on hold while awaiting further details regarding incorporating flood alleviation elements into the project.</u> This is why the project is amber. Project will be reviewed following the approval of plans for the flood alleviation.	Green	Amber	Green	Amber	Arran Henderson	Geoff McManus	01/09/2012	01/12/2013	01/12/2017	£14,000	£10,789

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
10881	Civic Offices Accommodation Strategy	Red	The initial scope of the project has been achieved. All staff have now been relocated around the Civic Offices following the Corporate Restructure. This project is now ready to close. <u>The project is over schedule and slightly over budget as there was an increase in scope to include some work at the Community Centres.</u>	Green	Green	Amber	Red	Amanda Jeffrey	Douglas Spinks	01/10/2012	31/08/2013	31/03/2017	£275,000	£276,751
10916	Hoe Valley Flood Alleviation and Enhancement Appraisal	Amber	A contractor has been appointed and outline design work has been completed. The Consultation began on the 18th September 2017, and closed on 30th October 2017. <u>The project is amber as the hydraulic model for the Hoe Stream has had to be updated to allow the flood risk to be better understood and the scheme to be designed appropriately. This work has caused a delay, the project manager will apply for a time extension.</u>	Green	Amber	Green	Amber	Katherine Waters	Geoff McManus	01/04/2016	31/10/2017	31/05/2018	£600,000	£482,874
10923	Woking Park Play Area	Amber	Park is complete and opened in December 2014. <u>Project is amber for issues and schedule as there are some outstanding issues that need to be resolved. Work has begun to address these issues.</u>	Green	Amber	Green	Amber	Arran Henderson	Geoff McManus	01/05/2014	30/09/2014	31/05/2018	£650,000	£607,006
20011	Parking Notice Processing and Permit System Procurement	Amber	The new system is now live. <u>The project is amber as closure has been delayed while waiting for the invoice from the contractors.</u>	Green	Green	Green	Amber	Geoff McManus	Douglas Spinks	20/10/2015	30/03/2016	31/03/2018	£17,500	£0
20019	Heather Farm SANG	Green	Land has been leased to the Council and leased back to Horsell Common Preservation Society to manage site as a Suitable Alternative Natural Green Space (SANG). All the financial and legal requirements have been completed. The SANG opened in January 2016, but the delivery of the SANG proposals will continue for the next five years.	Green	Green	Green	Green	Ernest Amoako	Douglas Spinks	31/10/2014	31/10/2019	N/A	£1,749,856	£1,707,071

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20027	MWE Depot Boiler Replacement	Red	Project is red as has been delayed due to <u>lack of resources</u> . Project is now delayed until after winter 2018/19.	Green	Green	Green	Red	David Loveless	Douglas Spinks	19/06/2015	30/10/2015	30/10/2017	£50,000	£1,806
20034	Integra Upgrade	Green	The majority of the implementation has now been completed. Further enhancements such as streamlining of paper based processes and the provision of online dashboards and management information are now being considered and implemented as appropriate within the original budget.	Green	Green	Green	Green	Chris White	Leigh Clarke	01/04/2015	30/09/2015	31/03/2019	£110,000	£101,813
20035	Personalisation and Prevention Partnership Fund	Green	The Personalisation and Prevention Partnership Fund (PPPF) project is working to keep local residents over 50 independent and living in their own homes as long as possible as well as enhancing their general wellbeing. Several initiatives are underway including; Seated Dance session and Living Well week. In partnership with the Clinical Commissioning Group we are now offering a wellbeing prescribing referral service, currently with 8 GP practices.	Green	Green	Green	Green	Jade Buckingham	Julie Meme	31/12/2012	31/12/2017	31/03/2019	£690,000	£598,289
20042	Sutton Green Flood Alleviation Investigation	Amber	The investigation is now complete and preferred alleviation option has been selected. This project will be closed and another project will be opened to implement the scheme. <u>Project is amber due to delay in closure.</u>	Green	Green	Green	Amber	Katherine Waters	Geoff McManus	31/10/2014	31/12/2016	30/04/2018	£40,200	£39,971

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20067	Developing a Favourable Conservation Status Licence	Amber	The project is working closely with Natural England. Year two habitat improvement works completed in January 2018. Surveys completed in May 2018. Preparations will be made this autumn for this winter's works. Renewal of the Council's Strategic Organisational Licence, issued by Natural England, is in progress. <u>The project is amber as the Council's Strategic Organisational Licence must be renewed before the first participating development scheme proceeds and this has not yet been issued.</u>	Amber	Green	Green	Green	Tracey Haskins	Ray Morgan	31/08/2015	31/03/2021	N/A	£105,000	£93,831
20075	Corporate Website Redevelopment	Red	The project team have finalised the information architecture of the site and the site has been built by the suppliers. The next stage is to agree and write the content for each section of the site. <u>This work is currently in progress, but competing priorities have caused this work to be significantly delayed, which is why the project is red for schedule.</u> The site is now due to go live on 31st October.	Green	Green	Green	Red	Andrew Gresham	Adele Devon	01/11/2016	31/07/2017	31/03/2018	£94,375	£35,333
20076	Woking Park Tennis Court Improvements	Green	Works are scheduled to begin on 24th September and will take 10 weeks. Contractors won't be able to paint the lines on the court until after the winter. This will mean that the courts will need to be closed again in April/May 2019.	Green	Green	Green	Green	Michelle Melia	Emma-Louise Webb	01/09/2018	30/11/2018	N/A	£143,039	£0

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20093	The Vyne Back Up Hot Water System	Red	After completing a survey and reviewing the existing electricity capacity there is not a sufficient supply to support back up immersion heaters. This project will be closed and the extension to The Vyne doctors surgery will include these works. <u>This project is overschedule while reviewing all possible solutions.</u>	Green	Green	Green	Red	David Loveless	Douglas Spinks	01/12/2015	31/03/2016	31/08/2016	£20,000	£0
20113	SIP Trunks Implementation	Red	The objective of this project is to install a SIP trunk into Export House data centre in order to reduce the number of ISDN lines used to manage calls from five to one, and then to install a further SIP trunk into the secondary data centre. All outgoing calls from the Council now go through the new SIP trunk; which has significantly reduced the cost of phone calls. Final testing has been completed and the project can now close. <u>Project is red due to delay in closure.</u>	Green	Green	Green	Red	Jamie Archer	Adele Devon	27/06/2016	31/10/2016	30/09/2017	£26,000	£19,230
20117	Secondary Data Centre at the Leisure Centre	Red	Project is complete and ready to close. <u>Project is red due to delay resulting from existing issues in the fibre network. The solution to this has now been implemented and the project can close.</u>	Green	Green	Green	Red	Jamie Archer	Adele Devon	01/12/2016	01/12/2016	30/09/2017	£137,500	£135,438
20118	Bats Conservation	Red	<u>Project is red for issues as Natural England have reprioritised and cannot offer full support for the scheme.</u> They are now only able to assist in an advisory role for a more local scheme to be determined by Woking Borough Council. Project Manager is currently working on plans for this.	Green	Red	Green	Green	Lara Beattie	Ray Morgan	01/11/2017	31/12/2020	N/A	£145,000	£0

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20120	Rainwater Gardens	Green	Project team continues to meet to finalise designs for the pilot scheme at Blackdown Close roundabout. Engineering colleagues visited Enfield Council to gain feedback on their recent implementation of Rainwater Gardens.	Green	Green	Green	Green	Lara Beattie	Ray Morgan	01/06/2018	31/03/2019	N/A	£50,000	£0
20123	Implementation of Moderngov	Red	Moderngov went live in April and this project is now ready to close. <u>Project is red as more work was required than expected after issues with the system were identified and needed to be rectified.</u>	Green	Green	Amber	Red	Frank Jeffrey	Peter Bryant	08/01/2017	31/01/2018	N/A	£19,000	£19,700
20124	Woking Integrated transport	Green	The project is progressing well. The stats and utilities diversions are now complete and the link road has been developed and was opened to the public in early June 2017. The electricity sub-station and gas-governor relocations are complete. Phase 3, which includes the new bust stop and link road footway works, is now complete.	Green	Green	Green	Green	Faouzi Saffar	Ray Morgan	01/06/2016	31/12/2020	31/12/2020	£23,444,000	£14,568,667
20126	Leisure Centre - Upgrade of external cladding	Red	Scaffold has been constructed and asbestos has been removed. The replacement cladding is currently being sourced. <u>Project is over schedule to delay in getting the project approved.</u>	Green	Green	Green	Red	David Loveless	Douglas Spinks	01/10/2016	31/03/2017	31/10/2017	£50,000	£0
20127	Pool in the Park - Treatment of external structural elements	Red	<u>During the specification process further issues were identified with the beams and additional specialist investigations were required. Project is red due to this delay.</u> The investigation work has been undertaken and consideration is being given to recommendations before implementing the project further.	Green	Green	Green	Red	David Loveless	Douglas Spinks	01/10/2016	31/03/2017	31/10/2017	£75,000	£0
20131	Wolsey Place Shopping Centre - Replacement Roofs	Green	Works are ongoing on site and due to finish in the next few weeks.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/10/2016	01/03/2017	28/09/2018	£260,000	£0

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20133	Pool in the Park - Replacement Roof Phase 3	Red	Tenders have been received for this work. <u>This project is now linked to an mechanical & electrical upgrade, the design of which needs to be finalised prior to this project commencing. Project is red due to delays caused by this issue.</u>	Green	Green	Green	Red	David Loveless	Douglas Spinks	01/10/2016	30/04/2017	31/10/2017	£125,000	£2,210
20134	Pool in the Park - Replacement Roof Phase 4	Red	The specification for the project has been prepared. <u>This project is now linked to an mechanical & electrical upgrade, the design of which needs to be finalised prior to this project commencing. Project is red due to delays caused by this issue.</u>	Green	Green	Green	Red	David Loveless	Douglas Spinks	01/10/2016	01/10/2016	N/A	£75,000	£4,550
20140	Woking Gateway	Amber	The procurement process is complete and Council have approved signing a development agreement with Co Plan Estates Ltd. The agreement is currently being reviewed by solicitors. <u>The project is over schedule due to this review process. Project is amber for budget due to a small over spend.</u>	Green	Green	Amber	Amber	Chris Norrington	Douglas Spinks	01/10/2016	31/07/2017	31/08/2018	£75,000	£84,913
20146	Leisure Lagoon Modernisation	Red	Works are progressing on site. Flumes are being installed but installation has been delayed while completing concrete repairs. The start of the project was delayed due to a delay in loan terms being agreed between WBC and Freedom Leisure. <u>The project is red as the terms of the loan have not yet been agreed, causing a delay to the project.</u>	Green	Amber	Green	Red	David Loveless	Ray Morgan	01/06/2017	30/04/2018	N/A	£800,000	£0

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20149	Play Area and Skate Park Repairs	Amber	Skate Park repairs and play area fencing replacement have been completed. Removal of redundant play equipment at Byfleet Rec scheduled to begin 11th September. Further skate park repairs have been identified and a funding extension has been submitted. Contractor to be instructed imminently. <u>Project is amber as over schedule as scope of the project has increased considerably.</u>	Green	Amber	Green	Amber	Arran Henderson	Geoff McManus	01/05/2017	31/07/2018	N/A	£77,000	£55,480
20150	West Byfleet Play Area Improvements	Amber	Public consultation has recently closed and report outlining responses has been submitted to the Executive to consider at their meeting on 13th September and agree a way forward. <u>Project is amber as delayed while alternative options for play area were considered, and to undertake public consultation.</u>	Amber	Green	Green	Amber	Arran Henderson	Geoff McManus	01/05/2017	31/10/2017	31/07/2018	£35,000	£0
20159	Turf and Drainage Improvements at St Johns Lye Cricket Pitch	Green	Initial drainage work completed and further assessment required this autumn/winter. Cricket outfield work has been taking place throughout the summer.	Green	Green	Green	Green	Arran Henderson	Geoff McManus	25/03/2018	31/10/2018	N/A	£21,225	£9,275
20160	Car Park Enhancement	Green	Hardware has been installed and testing begins on the equipment in the middle of September. The website is currently being built. Project is on schedule.	Green	Green	Green	Green	David McKie	Geoff McManus	09/07/2018	31/05/2019	N/A	£36,250	£0
20162	Loop Road Car Park Resurfacing	Green	Contractor has been appointed and work commenced in August. All works are complete and will be closed down once final accounts have been processed.	Green	Green	Green	Green	George Chisenga	Geoff McManus	03/12/2017	17/12/2017	30/09/2018	£48,000	£48,000
20168	Queen Elizabeth Gardens Lighting Column Replacement	Red	Project is now complete. <u>Project is red for schedule as lead times for supply of lamp columns was longer than anticipated, and due delay in closure.</u>	Green	Green	Green	Red	Arran Henderson	Geoff McManus	01/08/2017	31/03/2018	N/A	£15,000	£0

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20169	Alternative Premises Plan	Green	Modifications to the Upper Gallery are now complete. Equipment has been installed and tested. This means that the Council has an enhanced level of resilience and can use the Upper Gallery at short notice as a command centre, with full access to data, should the Civic Offices be lost for any reason. The final element of the project that is outstanding is a feasibility study to determine the viability of locating a generator on-site.	Green	Green	Green	Green	Pino Mastromarco	Adele Devon	01/04/2018	31/05/2018	31/12/2018	£16,428	£14,823
20171	Queen Elizabeth Gardens drainage and landscaping	Amber	Works have been completed. However, grass hasn't been established due to the dry summer. This will be addressed during the autumn. Project is amber due to this delay.	Green	Green	Green	Amber	Arran Henderson	Geoff McManus	01/03/2018	31/07/2018	N/A	£21,500	£10,581
20170	Open Housing Implementation	Green	Project is to replace the Capita Academy Housing System with Capita Open Housing. This will bring all Housing Management data together in one database and increase self service and mobile working. Project is starting in September.	Green	Green	Green	Green	Alison Cornacchia/Adele Devon	Ray Morgan	01/08/2018	31/03/2020	N/A	£500,000	£0
20180	Best Bar None 2018	Green	The Best Bar None scheme is designed to reduce alcohol related crime and improve public health. The scheme was launched on 8th May. Assessments have started and the awards event is scheduled for October 2018.	Green	Green	Green	Green	Chris Norrington	Douglas Spinks	01/03/2018	30/11/2018	N/A	£17,500	£0
20182	Refurbishment of 6 floors at Export House	Green	Project commenced on 28th August and due to finish at the beginning of December. The Project Manager will submit a time extension.	Green	Green	Green	Green	Ian Tomes	Douglas Spinks	15/02/2018	30/09/2018	N/A	£260,000	£11,811
20184	Community Meals Office Relocation	Green	Project is progressing well. Building work starts on the 10th September due to complete at the end of October.	Green	Green	Green	Green	Stephen Petford	Ray Morgan	31/08/2018	31/10/2018	N/A	£19,123	£0
20185	Careers Fair	Red	The Careers Fair took place in April, there were 48 exhibitors promoting career opportunities in the borough. We had 325 attendees. Project is red due to delay in closure.	Green	Green	Green	Red	Chris Norrington	Douglas Spinks	01/01/2018	30/04/2018	N/A	£12,920	£12,420

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20186	Woking Park- CCTV Installation	Red	Installation is complete, however contractor currently addressing issues with the fibre network, which is preventing a signal being sent back to Export House. This is why the project is delayed.	Green	Green	Green	Red	David Loveless	Douglas Spinks	01/12/2017	31/05/2018	N/A	£235,000	£138,387
20187	Woking Park- WiFi Installation	Red	Installation is complete, however contractor currently addressing issues with the fibre network, which is preventing a signal being sent back to Export House. This is why the project is delayed.	Green	Green	Green	Red	David Loveless	Douglas Spinks	01/12/2017	31/05/2018	N/A	£250,000	£138,951
20188	Community Matters Partnership Project	Amber	The project is progressing well. There was a successful launch event in January and there are now 11 partners involved in the Community Matters Partnership (CMP). A steering group has been set up and is being chaired by a local business. The website launched in February. The CMPs first Give and Gain day took place in July at Brockhill. The project is amber as over budget due to a contractor being required for longer than planned.	Green	Green	Amber	Green	Sylvie Marshall	Ray Morgan	01/05/2017	31/03/2021	N/A	£16,700	£19,120
20189	Repairs to road outside St Johns Church	Red	Road repairs are now complete. Project is Red as was delayed by the bad weather this winter. Additional spending was needed as the site had deteriorated more than expected due to the snow falls and subsequent flooding in Jackmans Lane. Additional repairs were also completed in Jackmans Lane which is why the project is over budget. Project now needs to be closed.	Green	Green	Amber	Red	George Chisenga	Geoff McManus	15/01/2018	28/02/2018	N/A	£15,000	£18,559
20192	Flexiroute Development	Green	Testing with mobile app is progressing, but project is taking longer to implement than expected. Project manager will apply for a time extension.	Green	Green	Green	Green	Stephen Petford	Ray Morgan	29/07/2018	31/08/2018	N/A	£5,705	£0

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20193	Egress Implementation	Green	Egress is a system that ensures data security on emails. This project has just begun, so far the order has been placed for the new system.	Green	Green	Green	Green	Jamie Archer	Adele Devon	20/08/2018	31/08/2019	N/A	£86,265	£0
20194	Entitledto Software Implementation	Green	Project is to implement Entitled to software which provides a standardised framework for Officers to confidently and efficiently complete robust affordability assessments for housing customers. System has been purchased and rolled out. It started being used at the end of August, and so far the feedback has been very positive.	Green	Green	Green	Green	Jacqui Dixon	Neil Coles	20/08/2018	31/07/2019	N/A	£4,100	£0

Projects at Practical Completion

1031	Youth Play Provision	Green	Works have been completed on site and facilities are now in use. This project is now finished and will be closed shortly.	Green	Green	Green	Green	Arran Henderson	Geoff McManus	01/01/2007	31/03/2009	N/A	£200,000	£199,670
10621	Ditch Restoration Smarts Heath	Green	The ditch restoration work is complete and all associated works were finished by December 2010. The final monitoring report has been submitted to Natural England who will sign off project once on going maintenance has been agreed.	Green	Green	Green	Green	Arran Henderson	Geoff McManus	24/05/2010	30/11/2010	31/12/2010	£35,000	£34,621
10634	Hoe Valley Main Scheme Construction Phases	Green	The defect and maintenance period has now expired on the Hoe Valley and the project has now entered the 12 year liability period and the Environment Agency has taken over the liability for the flood defence maintenance. The general park area is now included within the Council's public realm contracts.	Green	Green	Green	Green	Mark Rolt	Ray Morgan	06/07/2010	31/12/2015	N/A	£43,700,000	£23,830,014

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
10680	Horsell Village Improvements-Implementation Stage	Red	All the landscape and construction work has been completed and is now fully operational. There are ongoing issues associated with the original construction work to the community buildings which is now being dealt with under defect liability at the contractor's own cost. The project is red due to these schedule and budget implications.	Amber	Amber	Red	Red	Mark Rolt	Ray Morgan	01/07/2012	01/12/2013	31/08/2014	£2,530,000	£2,911,861
10785	Leisure Management Contract Investment Scheme	Red	All works complete. Currently defects are being addressed following the 12 month retention period. Project is red as WBC and Freedom leisure are currently in discussions about what proportion of the project they should pay.	Green	Green	Red	Green	David Loveless	Douglas Spinks	01/11/2011	30/04/2013	N/A	£1,565,047	£1,664,753
10805	Muslim Burial Ground Renovation	Amber	The renovation works and final inspection have now been completed. Completion certificate has been issued. The project is amber as over budget due to additional works, i.e. restoration of the structure, that were not originally included in the budget. Project can now be closed.	Green	Green	Amber	Amber	Zafar Iqbal	Ray Morgan	12/03/2012	31/03/2014	30/09/2015	£166,786	£166,863
10874	Rhoda McGaw Theatre Refurbishment Phase 1	Amber	All works are complete. Project is amber due to an overspend. Discussions with the consultant and contractor are underway to establish the specifics.	Green	Green	Amber	Green	David Loveless	Rose Blackley	01/01/2013	01/12/2013	N/A	£328,000	£340,122
10886	St Johns Memorial Hall	Amber	Hall has been delivered to stakeholders. Snagging in progress and final account being agreed. Remains amber due to timescale for snagging.	Green	Green	Green	Amber	Mark Rolt	Ray Morgan	01/07/2012	30/04/2013	31/05/2014	£1,727,132	£1,798,529

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
10897	Redevelopment of Units 21-27 Commercial Way	Red	Project is now complete and in retention. Project is currently red as the <u>original project related to a smaller scheme; but following the decision of the Executive on 20 March 2014 it was expanded to include a larger redevelopment of the Wolsey Place Shopping Centre.</u> The budget was revised to £4.75m in accordance with the Executive approval for the revised scope. However the project is still shown as red for the budget as all projects are compared back to the original approval for RAG flag status.	Green	Green	Red	Green	Vanessa Tabner	Ray Morgan	02/09/2013	01/04/2014	31/03/2015	£746,000	£5,364,970
10901	Export House 2nd Floor Refurbishment	Green	Project was completed at the end of March 2013. Tenants occupied July 2013. The building is 95% full. Project will now be closed.	Green	Green	Green	Green	Sam Marshall	Mark Rolt	01/10/2012	31/03/2013	N/A	£425,000	£424,904
10905	Relocation of Monument Way East Industrial Units	Red	Project is now complete. Project has relocated industrial units as per the project plan. This has enabled the full works to commence on the Sheerwater Link Road. <u>Project is red due to the delay resulting from the settling of the final account.</u> Project is also slightly over budget. Project is in retention.	Green	Green	Amber	Red	Pino Mastromarco	Ray Morgan	01/12/2012	31/08/2013	N/A	£2,250,000	£2,267,149
10906	Sheerwater Link Road	Red	Project is complete and the road was open to traffic in December 2013. <u>Project is red due to delay in completion of the main snagging items.</u> Project is also over budget <u>due to unforeseen remediation works.</u> Project is now in retention.	Green	Green	Red	Red	Pino Mastromarco	Ray Morgan	01/08/2012	31/10/2013	N/A	£5,500,000	£5,912,573
10909	Alexander House	Green	Project is now complete and in retention. Project now needs to be closed down.	Green	Green	Green	Green	Vanessa Tabner	Ray Morgan	01/11/2013	01/11/2014	30/09/2015	£3,400,000	£3,224,791

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
10911	Goldwater Lodge Fire Reinstatement Works	Red	All works are now complete and project is in retention. Project is red as it finished over schedule due to an issue with the power supply serving the Goldsworth Park Community Associations Demise. Project is over budget due to a number of issues including a consultant providing an incorrect specification for the power supply and failing to include a soft play area. Other budget overspends were due to the discovery of unforeseen works including additional damage to steel frames and masonry.	Green	Green	Red	Red	David Loveless	Douglas Spinks	01/01/2014	30/09/2014	N/A	£1,865,000	£2,101,248
10929	Muslim Burial Ground Peace Garden- Phase 2	Red	Completion certificate was issued on 14/07/2015. Project is red as over budget due to a change of scope that has resulted in CCTV and services being included in the project. Project can be closed.	Green	Green	Red	Amber	Zafar Iqbal	Ray Morgan	01/04/2014	30/06/2015	N/A	£213,168	£281,144
10930	Goldsworth Park Rec Public Toilets	Red	Project is complete. The project is now in retention. Project is red as over budget for a number of reasons; these include the discovery of asbestos materials, additional drainage works and making good works identified following the initial demolition. Overspend will be covered by the contingency sum included within the 2015/16 Asset Management Plan.	Green	Green	Red	Green	David Loveless	Douglas Spinks	31/08/2014	30/11/2014	09/10/2015	£40,000	£59,168
20005	Leisure Centre Roof Refurb Phase 4	Green	Project is now complete and in retention.	Green	Green	Green	Green	David Loveless	Douglas Spinks	26/01/2015	31/08/2015	N/A	£300,000	£219,722
20008	Fibre Link	Green	Fibre link is now installed.	Green	Green	Green	Green	David Loveless	Douglas Spinks	22/12/2014	31/05/2015	30/11/2015	£285,000	£284,368
20012	Leisure Centre Roof Refurb Phase 3	Amber	Project is now complete and in retention. Project is amber as over budget due to unforeseen deck repairs following removal of old roof.	Green	Green	Amber	Green	David Loveless	Douglas Spinks	18/08/2014	26/06/2015	N/A	£100,000	£105,161
20014	Pool in the Park Replacement Fire Alarm	Green	Project is in retention. Inspection now needs to be done to identify any defects.	Green	Green	Green	Green	David Loveless	Douglas Spinks	29/08/2014	31/03/2015	30/04/2015	£100,000	£54,115

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20018	Civic Suite Refurbishment	Green	Project is complete and was retention, and now defects are being addressed.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/08/2014	31/05/2015	N/A	£600,000	£576,918
20023	Lighting Upgrade Works	Amber	Lights have been delivered for all locations except the pool and installation has been completed. <u>Project is amber as was delayed while a decision was made on whether the Pool in the Park lighting would be incorporated into a project to refurbish the changing room.</u> The decision has now been made to include this lighting in the changing room upgrade.	Green	Green	Green	Amber	David Loveless	Douglas Spinks	01/04/2015	31/12/2015	31/08/2016	£55,000	£28,487
20033	Woking Park Replacement Bollards	Green	New bollards have been installed and project is now in retention.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/06/2015	30/09/2015	N/A	£16,500	£15,617
20038	Lift Upgrade Programme	Green	Works are now complete and project is ready to close.	Green	Green	Green	Green	David Loveless	Douglas Spinks	19/06/2015	30/11/2015	30/09/2016	£50,000	£50,000
20038	Leisure Centre Roof Refurb Phase 5	Green	Works are complete and project is in retention.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/10/2015	31/03/2016	30/09/2016	£125,000	£92,230
20040	Hoe Valley School	Green	The school has been handed over and is now operating. Sportsbox commenced operation with our contractor, Freedom Leisure, in early July.	Green	Green	Green	Green	Ian Tomes	Ray Morgan	01/06/2015	31/05/2018	N/A	£45,107,300	£44,722,342
20045	Horsell Allotment Amenity Hut	Green	Project is now complete. Final invoice is being paid. Project will be closed once this has been done.	Green	Green	Green	Green	David Loveless	Geoff McManus	01/12/2015	31/08/2016	31/05/2017	£170,000	£138,655
20056	Maybury Centre Replacement Boilers	Green	Project complete and in retention.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/06/2015	30/11/2015	N/A	£50,000	£26,885
20057	The Vyne Replacement Chiller	Green	Project is complete and project is ready to close.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/06/2015	30/11/2015	31/03/2016	£40,000	£35,360
20058	Wolsey Place Service Desks A and B	Green	All works complete and defects are being addressed.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/08/2016	30/11/2016	N/A	£450,000	£438,163

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20061	Export House- WC and Lift Lobby Upgrade- Floors 2-15	Red	Project is complete and defects will be addressed soon. Project is red due to <u>overspend resulting from the need for additional plastering works that were required once the existing wall finishes were removed.</u>	Green	Green	Red	Green	David Loveless	Douglas Spinks	01/09/2016	30/04/2017	N/A	£489,302	£519,391
20064	Civic Offices External Doors Replacement	Green	Project is now complete and ready to close.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/09/2015	31/01/2016	30/06/2016	£16,000	£11,629
20068	Provincial House Ground Floor Refurbishment	Amber	Refurbishment is now complete and was handed over to Cote de Brasserie in April 2016. <u>Project is amber as it is over budget as the scope of this project was increased to include redecoration of all the common parts of the building including the staircase and the entrance hallway. Project is amber due to slight delay in authorisation.</u> This project is now complete and will be closed.	Green	Green	Amber	Amber	Ian Tomes (Mike Sheard, Moyallen)	Douglas Spinks	22/10/2015	31/03/2016	28/02/2017	£1,389,000	£1,414,640
20070	The Vyne and St Mary's External Works	Green	Works at both sites are now complete and defects are being addressed.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/02/2015	31/08/2015	31/12/2015	£35,000	£28,873
20071	Leisure Centre Main Hall Replacement Air Handling Units	Amber	Project is complete and due to close. <u>Project is over budget as a additional vent needed to be replaced.</u>	Green	Green	Amber	Green	David Loveless	Douglas Spinks	01/09/2015	31/03/2016	N/A	£90,000	£90,978
20074	Leisure Centre Studio and ICT Hub Room Cooling	Green	Project is complete and final inspection has been completed.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/09/2015	30/11/2015	N/A	£25,000	£23,056
20082	Lighting and Heating Improvements to Wolsey Place	Red	Project is complete and is now in retention. <u>Project is red due to a delay in authorisation.</u>	Green	Green	Green	Red	Ian Tomes	Douglas Spinks	01/03/2016	31/05/2016	N/A	£223,000	£118,298
20084	Leisure Centre Roof Refurbishment - Phase 6	Amber	The roof is complete. <u>Project is amber as over budget due the need to relocated PV panels.</u>	Green	Green	Amber	Green	David Loveless	Douglas Spinks	01/11/2015	31/03/2016	31/07/2016	£230,000	£236,388
20088	Leisure Centre CCTV Expansion	Green	CCTV cameras have been installed and commissioned.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/12/2016	29/02/2016	31/07/2016	£25,000	£25,000
20089	Leisure Centre Security Fence Expansion	Green	Fence is now complete and project is ready to close.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/01/2016	31/03/2016	N/A	£12,500	£9,373

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20090	Pool in the Park Replacement of External Doors and Windows	Amber	Project is complete and ready to close. <u>The project is amber for budget as when a site survey was completed it revealed a number of additional windows and doors that required immediate replacement.</u>	Green	Green	Amber	Green	David Loveless	Douglas Spinks	01/12/2015	31/03/2016	N/A	£107,000	£109,468
20091	Brockhill Automatic Lounge and Dining Room Door	Green	All works completed. Doors have been ordered and the new electric supply has been installed. A number of defects have been identified and are being addressed.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/12/2015	31/03/2016	31/07/2016	£10,000	£8,164
20092	Fibre Link Phase 2	Green	The installation of the new fibre to link the Police station CCTV control room to the Council's main fibre network and Export House data centre is now complete. Project is ready to close.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/12/2015	31/03/2016	N/A	£20,000	£20,000
20098	Lift Upgrade- Phase 2	Green	Work is complete and now in retention.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/09/2016	31/03/2017	N/A	£68,000	£67,555
20106	Civic Offices Ground Floor Refurbishment	Red	Project is complete and in retention. <u>Project is red due to a decision to delay works as the tenant was not due to move in until February 2018.</u>	Green	Green	Green	Red	David Loveless	Douglas Spinks	01/12/2016	30/11/2017	N/A	£1,500,000	£1,450,885
20106	Civic Offices Refurbishment of the 2nd Floor and Basement	Red	Work now complete. <u>Project is red due to delays caused by complications with Surrey Police access control and IT systems.</u> The Police moved in in January.	Green	Green	Green	Red	David Loveless	Douglas Spinks	01/05/2017	28/09/2017	N/A	£200,000	£153,065
20109	New Entrance for Export House	Green	Project is complete and ready to close.	Green	Green	Green	Green	Ian Tomes	Douglas Spinks	01/07/2016	24/12/2016	21/01/2017	£914,820	£637,690
20121	Leisure Centre Upgrade of the Main Sports Hall Lighting	Green	Work is complete; the new lighting is already generating energy savings and has received positive comments from the public. Waiting to receive final invoice, then project will be closed.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/08/2016	31/10/2016	31/03/2017	£60,000	£49,953
20132	Wolsey Place Shopping Centre Replacement of the Galley Lift	Red	<u>Project is red as there was a delay appointing the contractor and the works could not be commenced and completed before the Christmas retail period.</u> Works commenced in January and are now complete. Project is in retention.	Green	Green	Green	Red	David Loveless	Douglas Spinks	01/10/2016	30/09/2017	N/A	£80,000	£78,377

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
20135	Leisure Centre - Building Management System Upgrade	Amber	Survey and upgrade of the existing system is complete. <u>Project is amber to minor overspend.</u>	Green	Green	Amber	Amber	David Loveless	Douglas Spinks	01/10/2016	31/12/2016	31/03/2017	£35,000	£35,693
20136	St Marys - Replacement Roof Phase 1	Green	Project is now complete and is in retention. Significant underspend due to detailed investigation works during the design phase highlighting that roof was not in as poor condition as first thought.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/10/2016	31/03/2017	N/A	£25,000	£6,988
20137	St Marys - Replacement Windows Phase 1	Green	Windows have been installed. Project is complete and now in retention.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/10/2016	31/03/2016	31/03/2017	£24,000	£23,814
20138	The Vyne - Replacement of Commercial Freezer	Green	Freezer has now been installed. Project now needs to be closed.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/10/2016	01/10/2016	N/A	£7,500	£7,097
20139	18-19 High Street Refurbishments	Red	Marjorie Richardson Centre has opened and the project is in retention. <u>Project is over budget and over schedule as there were some additional unforeseen works needed including works to the roof and removal of asbestos.</u> Project is now ready to close.	Green	Green	Red	Amber	David Loveless	Camilla Edmiston	01/05/2016	31/01/2017	N/A	£310,000	£334,737
20151	Pool in the Park Building Management System Works Phase 2	Green	New outstation has been installed and the performance of the system will be monitored over the next six months to ensure all equipment is operating efficiently.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/01/2017	31/03/2017	N/A	£40,000	£29,909
20152	Leisure Centre External Doors and Windows Rear Balcony	Red	Project is now complete. <u>Project is over budget due to identification of asbestos cladding which resulted in removal costs.</u>	Green	Green	Red	Green	David Loveless	Douglas Spinks	01/01/2017	31/03/2017	N/A	£30,000	£42,106
20153	Leisure Centre Entrance Doors	Green	The new doors and flooring have been installed. Project is now complete and is now in retention.	Green	Green	Green	Green	David Loveless	Douglas Spinks	01/01/2017	10/04/2017	N/A	£25,000	£17,406
20183	Business Incubator Kitchen Improvements	Green	All works are complete and project is now in retention.	Green	Green	Green	Green	David Loveless	Chris Norrington	01/11/2017	31/05/2018	31/07/2018	£25,930	£4,743

Ref	Project Name	Overview	Overview Reason	Risks	Issues	Budget	Schedule	Manager	Sponsor	Start Date	End Date	Revised End Date	Costs Planned	Costs Actual
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Projects Closed During Reporting Period

20085	Digitisation of Planning Records	Green	The microfiche scanning is now complete and this project is closed.	Green	Green	Green	Green	Harriet Emery	Douglas Spinks	01/05/2017	31/10/2018	N/A	£80,000	£69,446
20158	Celebrate Woking 2017-18	Red	A range of successful events were delivered over 2017. The project is over budget due to the purchase of a Food Festival online booking system and promotional banners. <u>The project is red for schedule due to a delay in closure. Project is red for budget as some additional costs were incurred developing a new online booking system for the Food Festival and replacing lamppost banners.</u>	Green	Green	Red	Red	Riette Thomas	Douglas Spinks	01/01/2017	31/03/2018	N/A	£125,000	£139,503

Green	Project is progressing according to agreed plans and targets and is within all tolerances.
Amber	Project contains areas of concern which are impacting on delivery and may need remedial action.
Red	Project is failing in one or more areas and is in need of immediate attention.
Revised End	Indicate that the Project Sponsor has authorised an extension to the schedule of a project. If a project exceeds its budget /timescale and a formal request for an extension to either is agreed, the rag flags will baseline against the revised budget/timescale.

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