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To: MEMBERS OF THE STRATEGY & RESOURCES COMMITTEE
Councillors Bourne (Chair), Langton (Vice-Chair), Black, Bloore, Botten, Caulcott, Cooper, Davies, Elias, Gillman, Pursehouse and Stamp

for any enquiries, please contact:
customerservices@tandridge.gov.uk
01883 722000

Substitute Councillors: Allen, Groves, Morrow and Sayer

C.C. All Other Members of the Council

31st December 2021

Dear Sir/Madam

STRATEGY & RESOURCES COMMITTEE TUESDAY, 11TH JANUARY, 2022 AT 7.30 PM

The agenda for this meeting of the Committee to be held in the Council Chamber - Council Offices is set out below. If a member of the Committee is unable to attend the meeting, please notify officers accordingly.

Should members require clarification about any item of business, they are urged to contact officers before the meeting. In this respect, reports contain authors' names and contact details.

If a Member of the Council, not being a member of the Committee, proposes to attend the meeting, please let the officers know by no later than noon on the day of the meeting.

Yours faithfully,

David Ford
Chief Executive

AGENDA

- 1. Apologies for absence (if any)**
- 2. Declarations of interest**

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter:

- (i) any Disclosable Pecuniary Interests (DPIs) and / or
- (ii) other interests arising under the Code of Conduct

in respect of any item(s) of business being considered at the meeting. Anyone with a DPI must, unless a dispensation has been granted, withdraw from the meeting during consideration of the relevant item of business. If in doubt, advice should be sought from the Monitoring Officer or her staff prior to the meeting.

- 3. Minutes of the meeting held on the 2nd December 2021 (Pages 3 - 24)**

To confirm as a correct record

4. **To deal with questions submitted under Standing Order 30**
5. **Finance Transformation** (Pages 25 - 40)
6. **Strategy & Resources Quarter 2 Performance Report** (Pages 41 - 60)
7. **Wellbeing prescription service contract extension** (Pages 61 - 68)
8. **Rental Grant Subsidy Applications** (Pages 69 - 130)
9. **Any other business which, in the opinion of the Chair, should be considered as a matter of urgency**

TANDRIDGE DISTRICT COUNCIL

STRATEGY & RESOURCES COMMITTEE

Minutes and report to Council of the meeting of the Committee held in the Council Chamber, Council Offices, Station Road East, Oxted on the 2nd December 2021 at 7.00pm.

PRESENT: Councillors Bourne (Chair), Langton (Vice-Chair), Black, Bloore, Botten, Caulcott, Cooper, Davies, Elias, Gillman, Pursehouse and Stamp

ALSO PRESENT: Councillors Duck, Farr, Lockwood, Mills, Morrow, Ridge, Sayer, Steeds and N.White

200. MINUTES OF THE MEETING HELD ON THE 5TH OCTOBER 2021

These minutes were confirmed and signed by the Chair.

201. DECLARATIONS OF INTEREST

Councillors Bloore, Morrow and Pursehouse declared interests in agenda item 6 (CIL Working Group – 8th November 2021 / Minute 204 below). The nature of their interests was that they were members of Warlingham Parish Council which had submitted the CIL application for the Warlingham Green improvement project. They left the Chamber for the discussion and voting on that agenda item.

202. QUESTIONS SUBMITTED UNDER STANDING ORDER 30

A question was submitted by Councillor Cooper, a copy of which is attached at **Appendix A**, together with the response from Councillor Bourne as Chair of the Committee. Councillor Cooper's supplementary question and the response from Councillor Bourne is also included within Appendix A.

203. INVESTMENT SUB-COMMITTEE - 5TH NOVEMBER 2021

The minutes of the Sub-Committee's meeting on the 5th November 2021 were considered.

The Chair responded to questions about the nature of the planning permission to be sought for Redstone House (i.e. residential) and the rationale for disinvesting in Funding Circle.

COUNCIL DECISION
(subject to ratification by Council)

RECOMMENDED – that that the minutes, attached at **Appendix B**, be received and the recommendation in Item 4 (*that Redstone House, Nutfield be sold for the best consideration as can be achieved by the Executive Head of Communities*) be adopted.

204. CIL WORKING GROUP – 8TH NOVEMBER 2021

The minutes of the Working Group's meeting on the 8th November 2021 were considered.

RESOLVED – the minutes, attached at **Appendix C**, be received and the recommended CIL allocations in item 3 be adopted.

205. 2020/21 OUTTURN MONTH 12 (MARCH 2021)

The Committee considered a report regarding the Council's 2020/21 budget position at the end of March 2021.

After taking account of the £920,000 budget gap (confirmed by the Grant Thornton review) the General Fund revenue outturn was a £885,000 surplus, transfers of which to various reserves were recommended. The report advised that, for 2020/21, the £920,000 gap had been mitigated by in-year underspends across all services. Further mitigation measures were outlined for subsequent years, i.e.:

- 2021/22 – funding the gap from reserves. An application to the Secretary of State to allow the use of capital receipts to replenish reserves was in progress. If permission was not granted, the temporary use of reserves would become permanent.
- 2022/23 – the gap has been taken into account when determining the level of savings that would be required. Assuming that all the £1.2m of savings are delivered and because they are of a permanent nature, the gap would be permanently closed in 2022/23.

Capital expenditure of £11.2 million had been incurred against the combined General Fund and HRA capital programme budget of £15.7 million. After allowing for a £200,000 underspend, slippage of £4.3 million was recommended (£2.5 million to 2021/22 and £1.8 million to 2022/23). The report confirmed that improvements to the governance, monitoring and reporting of the capital programme would be undertaken as part of the finance transformation programme.

The Housing Revenue Account had achieved a surplus of £1,356,300 against the budgeted figure of £1,037,800 (a positive variance of £318,000).

The report also advised that a fundamental review of the Council's financial management and reporting arrangements was being undertaken by an independent external advisor (Laura Rowley BA MBA FCPFA). Laura Rowley's interim report was included within the agenda pack. This concluded that the Chief Finance Officer could proceed with a reasonable degree of confidence and that the data underlying the outturn report could be used to support the production of the 2022/23 draft budget. Laura Rowley joined the meeting via Zoom and confirmed her findings.

In response to Members' questions, the Chief Finance Officer explained:

- that the finance transformation project sought to ensure that, in future years, outturn positions would be predicted more accurately and that significant variations could be identified and tracked earlier in the financial year

- the overspend on Minimum Revenue Provision - the budgeted amount had not taken account of the need to apply MRP to internal (as well as external) borrowing.

The sentence in Laura Rowley's report which stated that Tandridge had approached Surrey County Council for assistance was questioned. This was on the basis that Tandridge had, in fact, originally interviewed two candidates for the Chief Finance Officer vacancy in 2020, one of which was Anna D'Alessandro who was duly appointed and proceeded to lead the joint working with the County Council. Laura Rowley confirmed that she would amend her report accordingly.

COMMITTEE DECISIONS

(under powers delegated to the Committee)

RESOLVED – that

- A. the Council's revenue and capital positions for the year be noted;
- B. the gap mitigation strategy regarding the request for capitalisation dispensation for 2022/23 be noted; and
- C. the independent review of the Council's financial management and reporting arrangements be noted.

COUNCIL DECISIONS

(subject to ratification by Council)

RECOMMENDED – that

- A. the following transfers to reserves from the outturn position be approved:
 - (i) £682,000 planning reserve to support the delivery of the Local Plan and other general planning related activities (including £130,000 Homes England money)
 - (ii) £134,000 reserve to mitigate future financial uncertainties /risks in the medium-term and support budget planning
 - (iii) £42,000 Academy/Northgate Reserve to support the delivery of the new revenues & benefits system in 2021/22
 - (iv) £27,000 CV-19 reserve to support future CV-19 related spend
- B. capital carry forwards of £4.3 million from 2020/21 to future years (£2.5 million to 2021/22 and £1.8 million 2022/23) be approved.

206. 2022/23 DRAFT BUDGET AND MEDIUM TERM FINANCIAL STRATEGY

A report was presented which recommended a draft budget for 2022/23; a Medium Term Financial Strategy; Council Tax exemptions and discounts; the Council Tax base for 2022/23; funding for the planning service; an application to Government for a 'capital dispensation'; and the flexible use of capital receipts strategy.

The report explained the twin track approach to developing the Council's financial plans, namely focusing on delivering a balanced budget for 2022/23 while seeking to address pressures over the medium term. It reflected upon the challenges associated with developing a balanced budget, especially the continuing impact of the pandemic and the underlying £920,000 budget pressure which was the subject of the Grant Thornton review commissioned by the Committee earlier in the year. At this early stage, the report concluded that up to £200,000 could be required from reserves to balance the budget for 2022/23, pending settlement outcomes, before being replenished in 2023/24.

The report provided details about:

- the need for Council wide transformation over the next two years to deliver a leaner, more sustainable organisation, involving a review of all services beyond the change programmes already underway in finance and planning (an 'improved operating model for Tandridge' was attached to the report - in response to a comment during the debate, the Chief Executive confirmed that actions for delivering the model would be developed in the near future)
- progress in implementing the finance transformation programme to date and an explanation of the change programme for the planning service (as reported to the Planning Policy Committee on the 25th November 2021) which involved the creation of four additional posts at a cost of £76,000 per annum; £114,000 was being sought for an eighteen-month period, expected to be funded from the flexible use of capital receipts
- the work undertaken in conjunction with IMPOWER to identify savings opportunities
- an explanation of the flexible use of capital receipts regime whereby the Government allowed Councils to spend their capital receipts on the revenue costs of transformation projects, and the requirement for the application of this type of receipt to be matched by revenue savings and/or cost containment
- strategies applicable to the four policy committees
- financial performance in 2021/22
- the emerging draft 2022/23 budget and Medium Term Financial Strategy/ outlook to 2023/24
- an update on the development of the capital programme 2022/23 to 2024/25.

Information concerning the proposed new and revised Council Tax discounts, exemptions and premiums were provided within the report.

Details regarding the Council Tax base for 2022/23 were also presented within the report.

The Chief Finance Officer explained how the scope of the finance transformation project had extended since its inception, given the identification of the budget gap in April 2021 and associated activities to provide Members with confidence in the underlying numbers and to allow the Finance Transformation Programme to be built on a solid foundation. This had created a delay in its anticipated completion beyond the current financial year. However, she confirmed that the key objectives of the project would still be delivered within the original budget envelope.

Details of the £1.2 million efficiency savings referred to in the report (identified by senior officers and IMPOWER) had arisen from a Member workshop on the 9th November 2021 and had been shared with Group Leaders. However, some Members expressed concern that the information had not been presented to this or the other relevant committees for consideration and that all Councillors (especially those who were unable to attend the workshop) and residents (given that committee meetings are held in public) needed to be aware of the detailed aspects of the proposed savings before the draft budget could be approved. Officers explained that, as per paragraph 10.2 of the report ('Next Steps') it was intended to enable policy committees to review their individual future revenue and capital budgets, commencing with the Community Services Committee on the 18th January 2022 and concluding with the Strategy & Resources Committee on the 1st February 2022. Nevertheless, changes to Recommendation A of the report were proposed by Councillors Morrow and Caulcott, culminating in the following amendment:

“the draft budget for 2022/23 and Medium Term Financial Strategy to 2023/24 be approved-noted, pending consideration by policy committees of their proposed revenue and capital budgets, commencing with the Community Services Committee on the 18th January 2022 and concluding with the Strategy & Resources Committee on the 1st February 2022.”

Upon being put to the vote, the amendment was agreed.

COMMITTEE DECISIONS

(under powers delegated to the Committee)

RESOLVED – that:

- A. the draft budget for 2022/23 and Medium Term Financial Strategy to 2023/24 be noted, pending consideration by policy committees of their proposed revenue and capital budgets, commencing with the Community Services Committee on the 18th January 2022 and concluding with the Strategy & Resources Committee on the 1st February 2022;
- B. the following Council Tax exemptions and discounts for 2022/23 be approved:
 - (i) an exemption should the Council Taxpayer (liable person) be a care leaver living in independent accommodation under 25 years of age;
 - (ii) a 25% discount should the Council Taxpayer (liable person) be a care leaver living in semi-independent accommodation under 25 years of age;
 - (iii) an additional 300% Council Tax premium for long-term empty property (properties empty over 10 years)

- C. the gross Council Tax Base for 2022/23, be determined at 39,162.8 after taking account of the Council's agreed Council Tax Support Scheme, and the net Council Tax Base for 2022/23 be determined at 38,692.9 after adjustment by 1.2% to allow for irrecoverable amounts, appeals and property base changes;
- D. the funding request for the proposed transformation of the planning service of £114,000, including on-costs, be approved;
- E. the draft Flexible use of Capital Receipts Strategy, to be finalised and approved by Full Council in February 2022, be noted.

COUNCIL DECISION

(subject to ratification by Council)

RECOMMENDED – that the request for a capital dispensation from the Department for Levelling Up, Housing and Communities be approved to:

- initially replenish general fund reserves; and
- if the sector-wide flexibilities are not extended, secure flexibility for a further amount to pump-prime transformation.

207. HOUSEHOLD SUPPORT FUND – CONFIRMATION OF DECISION TAKEN UNDER URGENCY POWERS (STANDING ORDER 35)

The Department for Work and Pensions had launched the Household Support Fund to provide financial support to vulnerable households during the winter months. Initial allocations for grant funding were to Unitary and County Councils. Surrey County Council had received nearly £5.3 million and had distributed £2.8 million to Surrey Boroughs and Districts (£234,649 to Tandridge) to enable solutions that meet local requirements. Authorities could deduct reasonable administration costs from their allocations and had discretion to administer the scheme within the scope of the guidance.

A Tandridge Household Support Scheme Local Eligibility Framework had been developed for the local administration of the scheme which confirmed that the Council would:

- exercise discretion to identify and support those most in need
- use the funds to meet immediate needs and help those who are struggling to afford food, energy or water bills and essential household expenditure
- in exceptional cases of genuine emergency, support housing costs where existing housing support schemes do not meet this exceptional need
- work with local services, community groups and other partners to identify and support households within the scope of the scheme.

A report was submitted which advised that the Framework had been approved by the Chief Executive under the urgency provisions of Standing Order 30 and that funds would be allocated to recipient households in the form of vouchers which could be redeemed to offset utility costs and to purchase groceries and other essentials such as clothing and white goods.

The Committee was advised of corrections to paragraph 6 of the report which clarified that the administration costs in Tandridge were anticipated to be approximately £17,756 made up as follows:

| Activity | No of Hours | Hourly rate | Costs | Plus £18 per hour on-cost |
|----------------|---------------------------------|-------------|--------|---------------------------|
| Set-up | 40 | £55 | £2,200 | £2,920 |
| IT development | 22 | £20 | £440 | £836 |
| Administration | 20 hours per week x 20 weeks | £17 | £6,800 | £14,000 |
| Total | | | £9,440 | £17,756 |

It was confirmed that the launch of the Tandridge Fund would be accompanied by a targeted promotional campaign and that relevant local voluntary organisations, with potential knowledge of residents in need of support, would be contacted.

RESOLVED – that the decision taken under urgency powers in accordance with Standing Order 35 to approve the Tandridge Household Support Scheme Local Eligibility Framework be ratified.

208. DESIGNATION OF POLLING STATION FOR CHELSHAM & FARLEIGH

The current polling place assigned for the Chelsham and Farleigh polling districts was Warlingham Park School (an independent school not covered by the relevant legislation which allowed Returning Officers to use school premises as polling stations).

A report was submitted which advocated that the polling place for the area be re-designated as the Bull Inn, Chelsham Common. This was in light of concerns raised during recent polls regarding the suitability of the school for electoral purposes. The Bull Inn had been used for the 6th May 2021 elections due to the impact of the covid-19 pandemic (social distancing could not be maintained in the school) and feedback from voters, polling station staff and Ward Members had been positive.

COUNCIL DECISION
(subject to ratification by Council)

RECOMMENDED – that the Bull Inn be assigned as the polling place for the Chelsham and Farleigh polling districts.

Rising 8.44 pm

Strategy & Resources Committee – 2nd December 2021
Standing Order 30 Questions and responses

Question from Councillor Cooper

The TDC Strategic Plan (Page 109 in the S&R Agenda) includes a statement about becoming greener; 'the Council is taking all the steps it can to become carbon natural (I assume the word should be neutral?) by 2030'. As it is about two years since the Council decided on this policy, I assume it is now understood what is needed to achieve this goal.

Therefore, could the following information be supplied about each of the areas to be addressed to meet this objective? (housing, travel etc):

- a) Current total carbon generated annually by each TDC council activity
- b) The intended approach to reduce the carbon generated to zero
- c) The cost to TDC of carrying out this work
- d) A total of carbon currently generated and the total cost of the work to be carried out. (Whether the work may qualify for government or other grant or not).

Response from the Chair (Councillor Bourne)

The following responses have been provided to me by the relevant Officer:

- a) *We have carbon emissions data for the buildings we operate, i.e. pay the bills for, and the fuel we use in our vehicles. However, we are still working on the most accurate way of accounting for emissions from other sources such as council homes and leased commercial assets.*
- b) *In brief, our intended approach is to focus on reducing our organisational emissions i.e. gas, electricity and fuel we consume. We also have actions to reduce emissions for our leased assets and to install EV chargepoints in the district.*
- c/d) *We do not have officers who work solely on this work nor a separate budget for climate change per se, it therefore forms part of our BAU activities. Some climate change work may qualify for government grants, however they do require resources in terms of officer time, i.e. to write grant proposals, prepare evidence and claim forms and so forth.*

The annual update on the climate change action plan is due to come to the next meeting of this Committee on 11th January. It will also be discussed with the Climate Change Working Group on the 14th December, after which your colleagues on the Working Group should be able to update you.

Supplementary question from Councillor Cooper

We need to understand the size of the problem if we are going to address it properly. We need to know the quantity of emissions being generated by the Council; the reductions our initiatives are intended to generate; and the cost of the work. When will the promised report on the Council's greenhouse gas emissions (which was supposed to ensure we are effectively measuring and managing our emissions) be published?

Response from the Chair (Councillor Bourne)

My responses [on climate change matters] have been provided by officers. During the last six months, I've been concentrating on our significant financial challenges. The climate change issues have been assigned to the [Climate Change] Working Group and, until it reports back to us, I don't have any information on the subject. Perhaps you can wait until the 11th January meeting when the latest update on climate change actions will be given. Until then, I haven't got any information which hasn't been provided to me by the officers concerned.

TANDRIDGE DISTRICT COUNCIL**INVESTMENT SUB COMMITTEE**

Minutes and report to Council of the meeting of the Sub-Committee held in the Council Chamber, Council Offices, Station Road East, Oxted on the 5 November 2021 at 10.00am.

PRESENT: Councillors Bourne (Chair), Cooper, Elias and Langton

ALSO PRESENT: Councillors Farr

APOLOGIES FOR ABSENCE: Councillor Jones

1. MINUTES OF THE MEETING HELD ON THE 24TH SEPTEMBER 2021

The minutes were confirmed and signed as a correct record.

2. SUMMARY INVESTMENT AND BORROWING POSITION AT 30TH SEPTEMBER 2021

The investment analysis at Appendices A and B was presented.

The Chair explained that the anticipated remodelled report from Link Group (the Council's treasury advisors) would now be presented to the Sub-Committee's meeting on the 21st January 2022. This would help to inform a decision on the use of the redeemed proceeds from Funding Circle which had accumulated since the decision to cease re-investing in its peer to peer loans and to withdraw funds as those loans were repaid. It was confirmed that the 11.2% yield rate from Funding Circle (Appendix A refers) reflected the withdrawal of the principal element of the investment, together with a one-off recovery of non-performing loans amounting to £38,000 and did not reflect pure income.

Members reiterated their wish from the 11th June 2021 meeting that the term 'high yielding' should be removed from future investment reports.

RESOLVED – that the Council's investment and borrowing position at 30th September 2021, as set out in Appendices A and B, be noted.

3. GRYLLUS HOLDINGS, GRYLLUS HOUSING AND GRYLLUS PROPERTY FINAL ACCOUNTS 2020/21

The Sub-Committee considered financial statements for the year ended 31st March 2021 in respect of these Council owned subsidiary companies, together with a report from Kreston Reeves LLP arising from its audit of the accounts.

The key issues identified within the Officer covering report were:

- Gryllus Holdings had been dormant during the reporting period and an unqualified audit opinion had been issued. (The term 'dormant' was questioned during the debate, but it was acknowledged that the company had not been trading and that no movement of balances had taken place).
- Gryllus Housing had been dormant during the reporting period and the accounts were unaudited.
- Gryllus Property Limited had recorded a loss of £1,792,530 arising from revaluations of the company's three properties (30-32 Week Street, Maidstone; 80-84 Station Road East, Oxted and Castlefield House, Reigate). This had been expected as Castlefield House was purchased during the 2020/21 reporting year and its valuation had attracted one off purchase costs. Without such costs, the company made an operational post tax profit of £72,373. An unqualified audit opinion had been issued.

The Kreston Reeves audit had identified:

- a late VAT payment (by one day) which had incurred an HMRC penalty fine
- an incorrect posting of £205,583 rental income.

Consequently, Kreston Reeves had recommended measures to reduce the likelihood of such errors reoccurring, namely additional staffing capacity to deal with VAT payments and a quarterly reconciliation of actual and expected rental income. It was confirmed that these matters would be addressed as part of the Finance Transformation Programme.

The Chief Finance Officer (Anna D'Alessandro) advised that she had replaced Simon Jones as a director of all three companies.

RESOLVED – that the following be noted:

- (i) the annual financial statements for Gryllus Holdings Limited, Gryllus Housing Limited and Gryllus Property Limited for the year ended 31st March 2021;
- (ii) the report from Kreston Reeves arising from its annual audit of Gryllus Holdings Limited and Gryllus Property Limited for the year ended 31st March 2021; and
- (iii) the management accounts for Gryllus Property Limited (profit by property).

4. INVESTMENT PROPERTY UPDATE

The Sub-Committee resolved to move into 'Part 2' for this item in accordance with Paragraph 3 (information relating to financial or business affairs) of Part 1 of Schedule 12A of the Local Government Act 1972.

The officer report advised Members about the performance of the of the commercial investment properties owned by the Council and its subsidiary company, Gryllus properties:

TDC properties:

- Quadrant House, Caterham Valley
- Redstone House, South Nutfield
- Village Health Club, Caterham on the Hill

Gryllus properties:

- Castlefield House, Reigate
- 80-84 Station Road East, Oxted
- 30-32 Week Street, Maidstone

The information comprised an update about asset management activity for each property; an analysis of opportunities and risks; and valuations carried out by Wilkes, Head and Eve (WHE) in December 2020 for the Gryllus properties and February 2021 for the TDC properties. Members considered that future WHE valuations would benefit from input from the asset management team to ensure they were as realistic as possible.

Members were also provided with:

- rent / service charge collection data for Quadrant House and a risk register compiled by Huntley Cartwright quantity surveyors; and
- an options analysis from Colliers (property consultants) regarding the future use of 30-32 Week Street. Arising from this, it was acknowledged that the property would be marketed 'to let'.

The officer report advocated that Redstone House be sold. Under the Council's scheme of delegation (Part E of the Constitution) such a disposal, due its value being more than £1 million, would need to be recommended by the Strategy & Resources Committee for ratification by Full Council. The property had recently been vacated by the Surrey & Borders Partnership NHS Foundation Trust which had been paying rent of approximately £50,000 per annum to the Housing General Fund. The rationale for selling the property had been presented in a briefing note to the Sub-Committee, Bletchingley & Nutfield Ward Councillors and Housing Committee members. The briefing note was appended to the agenda pack for the meeting and explained why the property was considered inappropriate for use as social housing.

The Sub-Committee supported the recommendation to sell Redstone House but considered that planning permission should be sought by the Council with a view to the property being offered for sale with the required consents in place.

Members also requested additional information regarding the capital expenditure requirements for Linden House prior to its re-letting. Officers undertook to provide this after the meeting.

RESOLVED – that

- A. the recent and proposed property asset management activity be noted; and
- B. Redstone House be marketed for sale and that planning consent for the necessary changes of use be sought to enable the property to be sold with the required planning permission already in place.

COUNCIL DECISION

*(subject to ratification by the
Strategy & Resources Committee and Full Council)*

RECOMMENDED – that Redstone House be sold for the best consideration as can be achieved by the Executive Head of Communities.

ACTIONS:

| | | Officers responsible for ensuring completion | Deadline |
|---|--|---|--|
| 1 | Future external property valuations be informed by contributions from the Council's asset management team | Claire Hinds (Finance Business Partner) to liaise with Kate Haacke (Lead Asset Management Specialist) | As soon as practicable prior to the next valuation |
| 2 | E-mail to Sub-Committee members confirming the capital expenditure requirements for Linden House prior to its re-letting | Kate Haacke (Lead Asset Management Specialist) | 19.11.21 |

Rising 11.24 am

Summary of Investments and Borrowing

Appendix A

| Investment | Investment Amount 31/03/21 £ | Net Asset Value 30/09/21 £ | Yield Rate Note 1 % | Forecast Return 2021/22 £ | Previous Year Actual £ |
|--|------------------------------------|----------------------------------|---------------------------|---------------------------------|---------------------------|
| Non - Specified (Financial Investments)- Long Term (over 12 mths) | | | | | |
| CCLA Property Fund | 4,000,000 | 4,448,206 | 3.65 | 162,300 | 179,910 |
| Schroders Bond Fund | 3,000,000 | 2,915,856 | 4.38 | 127,600 | 125,529 |
| UBS Multi Asset Fund | 3,000,000 | 2,794,549 | 4.34 | 121,300 | 140,171 |
| CCLA Diversification Fund | 2,000,000 | 2,051,402 | 3.23 | 66,200 | 62,069 |
| Funding Circle | 863,160 | 637,686 | 11.20 | 84,900 | 77,070 |
| Sub Total Non-specified (Financial Investments) | 12,863,160 | 12,847,699 | | 562,300 | 584,749 |
| Non - Specified (Non-Financial Investments)- Long Term (over 12 mths) | | | | | |
| Gryllus Property Company Loan - Maidstone | 2,394,000 | 2,394,000 | 5.81 | 139,023 | 139,023 |
| Freedom Leisure- Loan (TLP) | 774,857 | 774,857 | 5.50 | 42,600 | 53,271 |
| Freedom Leisure- Loan (de Stafford) | 496,571 | 496,571 | 7.58 | 37,600 | 47,050 |
| Gryllus Property Company Loan - 80-84 Station Rd East | 1,012,500 | 1,012,500 | 5.81 | 54,979 | 54,979 |
| Gryllus Property Company Loan - Castlefield | 11,664,000 | 11,664,000 | 6.10 | 711,504 | 711,504 |
| Gryllus Property Company Share Capital Note 2 | 5,251,500 | 5,251,500 | - | - | 0 |
| Sub Total Non-specified (Non-Financial Investments) | 21,593,429 | 21,593,429 | | 985,706 | 1,005,827 |
| Total Non-Specified Investments | 34,456,589 | 34,441,128 | | 1,548,006 | 1,590,576 |
| Specified Investments-Short Term (less than 12 mths) | | | | | |
| Notice Accounts | 4,000,000 | 4,042,002 | 0.17 | 7,000 | 11,449 |
| Money Market Funds | 3,250,000 | 12,285,000 | 0.02 | 2,700 | 15,870 |
| Total Specified Investments | 7,250,000 | 16,327,002 | | 9,700 | 27,319 |
| Total Non- Specified and Specified Investments | 41,706,589 | 50,768,130 | | 1,557,706 | 1,617,895 |
| Total Investment Income Budget 2021/22 | | | | 1,515,700 | 2,764,200 |
| Over/(under) budget | | | | 42,006 | (1,146,305) |

| Borrowing | Loan Amount £ | Interest % | Forecast Cost 2021/22 £ | Previous Year Cost £ |
|---|--------------------|---------------|-------------------------------|-------------------------|
| General Fund Borrowing | | | | |
| Gryllus Loan | 3,420,000 | 2.46 | 84,132 | 84,132 |
| Freedom Leisure Loan | 2,225,000 | 2.45 | 54,513 | 54,513 |
| Village Health Club | 938,678 | 2.38 | 22,341 | 22,341 |
| Linden House | 4,175,000 | 2.69 | 112,308 | 112,308 |
| Linden House | 254,000 | 2.42 | 6,147 | 6,147 |
| Quadrant House | 15,340,000 | 2.41 | 369,694 | 369,694 |
| Quadrant House | 800,000 | 2.28 | 18,240 | 18,240 |
| Gryllus - 80-84 Station Road | 724,400 | 2.28 | 16,516 | 16,516 |
| Gryllus - Castlefield | 15,549,000 | 2.91 | 452,476 | 450,913 |
| Sub Total General Fund Borrowing | 43,426,078 | | 1,136,366 | 1,134,803 |
| Total GF PWLB Budget 2021/22 | | | 1,137,000 | 1,889,000 |
| Over/(under) budget | | | (634) | (754,197) |
| HRA Borrowing | | | | |
| Public Works Loan Board | 61,189,000 | 2.70 | 1,632,209 | 1,661,341 |
| Sub Total HRA Borrowing | 61,189,000 | | 1,632,209 | 1,661,341 |
| Total HRA PWLB Budget 2021/22 | | | 1,662,500 | 1,926,500 |
| Over/(under) budget | | | (30,291) | (265,159) |
| Total Borrowing | 104,615,078 | | 2,768,575 | 2,796,144 |
| Total Budget 2021/22 | | | 2,799,500 | 3,815,500 |
| Total Over/(under) budget | | | (30,925) | (1,019,356) |

Notes:

1. Yield Rate - forecast annual return divided by net asset value. Funding Circle yield rate - forecast annual return divided by average opening & closing net asset value adjusted for estimated principal withdrawn Sept 21 to Mar 22
2. Gryllus share capital comprises of equity shares arising from loans granted - no dividend will be paid in the current year

Market Value of Long Term Investments at 30/09/2021

Appendix B

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|---------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|
| Carrying Value | Carrying Value 31.3.2017 | Carrying Value 31.3.2018 | Carrying Value 31.3.2019 | Carrying Value 31.03.2020 | Carrying Value 31.03.2021 | Carrying Value 30.09.2021 |
| | £ | £ | £ | £ | £ | £ |
| CCLA Property Fund | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |
| Schroders Bond Fund | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| UBS Multi Asset Fund | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| CCLA Diversification Fund | n/a | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| Total | 10,000,000 | 12,000,000 | 12,000,000 | 12,000,000 | 12,000,000 | 12,000,000 |

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2020/21 |
|--|---------------------------|---------------------------|---------------------------|----------------------------|----------------------------|----------------------------|
| Market Value | Market Value 31.3.2017 | Market Value 31.3.2018 | Market Value 31.3.2019 | Market Value 31.03.2020 | Market Value 31.03.2021 | Market Value 30.09.2021 |
| | £ | £ | £ | £ | £ | £ |
| CCLA Property Fund(mid-market value) | 4,082,986 | 4,276,854 | 4,276,005 | 4,188,063 | 4,158,183 | 4,448,206 |
| Schroders Bond Fund | 2,963,563 | 2,912,837 | 2,865,130 | 2,539,938 | 2,908,911 | 2,915,856 |
| UBS Multi Asset Fund | 3,018,705 | 2,918,160 | 2,868,479 | 2,520,713 | 2,777,398 | 2,794,549 |
| CCLA Diversification Fund(indicative market value) | n/a | 1,921,257 | 1,982,167 | 1,804,193 | 1,955,874 | 2,051,402 |
| Total | 10,065,254 | 12,029,108 | 11,991,781 | 11,052,907 | 11,800,366 | 12,210,013 |

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2020/21 |
|---------------------------|------------------------------------|------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Surplus/(Deficit) | Surplus/ (Deficit) 31.3.2017 | Surplus/ (Deficit) 31.3.2018 | Surplus/ (Deficit) 31.3.2019 | Surplus/ (Deficit) 31.03.2020 | Surplus/ (Deficit) 31.03.2021 | Surplus/ (Deficit) 30.09.2021 |
| | £ | £ | £ | £ | | |
| CCLA Property Fund | 82,986 | 276,854 | 276,005 | 188,063 | 158,183 | 448,206 |
| Schroders Bond Fund | (36,437) | (87,163) | (134,870) | (460,062) | (91,089) | (84,144) |
| UBS Multi Asset Fund | 18,705 | (81,840) | (131,521) | (479,287) | (222,602) | (205,451) |
| CCLA Diversification Fund | n/a | (78,743) | (17,833) | (195,807) | (44,126) | 51,402 |
| Total | 65,254 | 29,108 | (8,219) | (947,093) | (199,634) | 210,013 |

| Gross Revenue Yield | Yield 2016/17 | Yield 2016/17 | Yield 2017/18 | Yield 2017/18 | Yield 2018/19 | Yield 2018/19 | Yield 2019/20 | Yield 2019/20 | Yield 2020/21 | Yield 2020/21 |
|---------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | £ | % | £ | % | £ | % | £ | % | £ | % |
| CCLA Property Fund | 164,434 | 4.03% | 193,758 | 4.53% | 183,989 | 4.30% | 185,240 | 4.42% | 179,910 | 4.33% |
| Schroders Bond Fund | 127,340 | 4.30% | 105,413 | 3.62% | 120,508 | 4.21% | 124,418 | 4.90% | 125,529 | 4.32% |
| UBS Multi Asset Fund | 100,600 | 3.33% | 146,788 | 5.03% | 116,513 | 4.06% | 137,531 | 5.46% | 140,171 | 5.05% |
| CCLA Diversification Fund | n/a | n/a | 62,732 | 3.27% | 67,030 | 3.38% | 66,284 | 3.67% | 62,069 | 3.17% |
| Total | 392,375 | | 508,691 | | 488,040 | | 513,473 | | 507,679 | |

| Surplus/(Deficit)- Capital Value | Surplus/ (Deficit) 2016/17 | Surplus/ (Deficit) 2016/17 | Surplus/ (Deficit) 2017/18 | Surplus/ (Deficit) 2017/18 | Surplus/ (Deficit) 2018/19 | Surplus/ (Deficit) 2018/19 | Surplus/ (Deficit) 2019/20 | Surplus/ (Deficit) 2019/20 | Surplus/ (Deficit) 2020/21 | Surplus/ (Deficit) 2020/21 |
|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | £ | % | £ | % | £ | % | £ | % | £ | % |
| CCLA Property Fund | (92,996) | -2.28% | 193,868 | 4.53% | (849) | -0.02% | (87,942) | -2.10% | (29,880) | -0.72% |
| Schroders Bond Fund | 16,634 | 0.56% | (50,726) | -1.74% | (47,707) | -1.67% | (325,192) | -12.80% | 368,973 | 12.68% |
| UBS Multi Asset Fund | 36,559 | 1.21% | (100,545) | -3.45% | (49,681) | -1.73% | (347,766) | -13.80% | 256,685 | 9.24% |
| CCLA Diversification Fund | n/a | n/a | (78,743) | -4.10% | 60,910 | 3.07% | (177,974) | -9.86% | 151,682 | 7.76% |
| Total | (39,803) | | (36,146) | | (37,327) | | (938,874) | | 747,460 | |

| Net Yield | Net Yield 2016/17 | Net Yield 2016/17 | Net Yield 2017/18 | Net Yield 2017/18 | Net Yield 2018/19 | Net Yield 2018/19 | Net Yield 2019/20 | Net Yield 2019/20 | Net Yield 2020/21 | Net Yield 2020/21 |
|---------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | £ | % | £ | % | £ | % | £ | % | £ | % |
| CCLA Property Fund | 71,438 | 1.75% | 387,626 | 9.06% | 183,140 | 4.28% | 97,298 | 2.32% | 150,030 | 3.61% |
| Schroders Bond Fund | 143,974 | 4.86% | 54,687 | 1.88% | 72,801 | 2.54% | (200,774) | -7.90% | 494,503 | 17.00% |
| UBS Multi Asset Fund | 137,159 | 4.54% | 46,243 | 1.58% | 66,832 | 2.33% | (210,235) | -8.34% | 396,856 | 14.29% |
| CCLA Diversification Fund | n/a | n/a | (16,011) | -0.83% | 127,940 | 6.45% | (111,690) | -6.19% | 213,751 | 10.93% |
| Total | 352,572 | | 472,545 | | 450,713 | | (425,401) | | 1,255,139 | |

| Peer to Peer Investment | 2016/17 | 2016/17 | 2017/18 | 2017/18 | 2018/19 | 2018/19 | 2019/20 | 2019/20 | 2020/21 | 2020/21 |
|-------------------------------------|------------------|--------------|------------------|--------------|------------------|--------------|------------------|--------------|----------------|---------------|
| Funding Circle | £ | % | £ | % | £ | % | £ | % | £ | % |
| Carrying Value | 2,003,355 | | 2,075,341 | | 2,056,664 | | 1,831,028 | | 863,160 | |
| Interest Paid by Borrowers | 181,892 | | 181,014 | | 184,654 | | 193,170 | | 127,982 | |
| Less FC Service fee | (19,121) | | (19,668) | | (19,729) | | (19,611) | | (12,462) | |
| Promotions/Transfer payment | | | | | | | 470 | | 0 | |
| Bad Debts | (58,163) | | (61,288) | | (111,152) | | (127,649) | | (80,881) | |
| Recoveries | 8,219 | | 14,780 | | 27,428 | | 30,253 | | 42,431 | |
| Net Yield | 112,827 | 5.63% | 114,838 | 5.53% | 81,201 | 3.95% | 76,634 | 4.19% | 77,070 | 8.93%* |
| Provisions for future losses | 0 | | 0 | | (10,000) | | | | | |

*Funding Circle Net yield - this has been calculated against the current value, however principal has been withdrawn throughout the year. If calculated against the average of the opening and closing value then the net yield would have been 8.93% as there was a large recovery received in June 2021 (£38,494) which has inflated this yield.

TANDRIDGE DISTRICT COUNCIL

CIL WORKING GROUP

Minutes of the meeting of the Working Group held in the Council Chamber, Council Offices, Station Road East, Oxted on the 8th November 2021 at 6.30pm.

PRESENT: Councillors Blackwell, Bloore, Botten, Bourne, Flower, Gaffney, Hammond, Langton, Lockwood and Pursehouse.

1. ELECTION OF CHAIR FOR THE REMAINDER OF 2021/22

Councillors Bourne and Pursehouse were nominated. Upon being put to the vote, Councillor Bourne was elected Chair of the Working Group for the remainder of 2021/22.

2. DECLARATIONS OF INTEREST

Members declared interests as follows:

Councillor Blackwell declared that she had been appointed by the Council to the Friends of Limpsfield Common (outside body) but had not been invited to a meeting for over two years and was not involved in the Limpsfield Common access and improvement project.

Councillor Bloore declared that he was a member of Warlingham Parish Council and withdrew from the vote on the Warlingham Green improvement project.

Councillor Gaffney declared that she was a Valley Ward Member but had not been involved in the Croydon Road, Caterham regeneration project, although she had attended meetings in her capacity as a local Councillor to receive updates about the initiative.

Councillor Langton declared that he was a volunteer member of the Friends of Limpsfield Common. He contributed to the discussion about the access and infrastructure project but did not vote.

Councillor Pursehouse declared that he was a member of both Warlingham Parish Council and the Warlingham Green improvement project team. He left the Chamber for the discussion and voting on that bid.

3. APPLICATIONS FOR CIL FUNDS

The Group had been provided with written copies of the completed application forms and officer assessments in respect of five CIL applications, i.e.:

| Project (applicant shown in brackets) in order of application number | CIL requested | Original Officer ranking |
|---|----------------------|---------------------------------|
| Warlingham Green improvement project – phase 1 (Warlingham Parish Council) | £491,355 | 4 |
| Limpsfield Common access and infrastructure project (Friends of Limpsfield Common) | £71,032 | 3 |
| A25 Westerham Road signalised pedestrian crossing and traffic calming measures (Surrey County Council Highways) | £75,000 | 2 |
| Croydon Road, Caterham regeneration (Tandridge District Council) | £950,000 | 1 |
| Barn100 – improvements to the Barn Theatre, Oxted (Oxted & Limpsfield Barn Theatre) | £162,500 | 5 |
| Total CIL requested | £1,749,887 | |
| CIL funding available | £3,097,014 | |

Representatives of each organisation gave short presentations about their bids and responded to Members' questions.

Following the presentations, the Group discussed the merits of the bids and whether they should be supported in full, in part, or not at all. The key points to emerge were:

Warlingham Green improvement project – phase 1

The Group recommended that the bid should be approved in full. However, concerns were expressed at the imposition, by Surrey Highways, of a 12% supervisory charge which amounted to £37,120. It was agreed that representations should be submitted to the County Council arguing that such charges were unreasonable.

Limpsfield Common access and infrastructure project

It became apparent that the proposed works were phase 1 of a larger project, funding for which had not yet been sourced. Only 1.5% of match funding (£1,100 for a children's trail) had been raised for this phase, with the required CIL contribution now amounting to 98.5% which reduced both the 'match funding' assessment score, and the project's relative ranking (from 4th to 5th). However, this was partly offset by a higher rating for 'value for money' given the Group's wish to take the volunteering aspect and role of the National Trust into account. As such, the bid still scored well, and the Group recommended full payment, subject to the project being completed within two years of the commencement date.

A25 Westerham Road signalised pedestrian crossing and traffic calming measures

The bid was poorly received as Members argued that Surrey County Council (SCC) should not be relying on CIL funding to expedite the installation of the pedestrian crossing. Nevertheless, the need to prioritise the road safety of (Limpsfield Infant) school children was considered paramount and the Group concluded that the bid should be supported in full to enable the crossing to be installed at the earliest opportunity. It was, however, agreed that a letter (with cross-party support) be sent to the SCC to express the District Council's concerns.

Croydon Road, Caterham regeneration

The Group recommended that the bid should be approved in full.

Barn100 – improvements to the Barn Theatre, Oxted

The Group questioned the extent to which the bid met strategic infrastructure criteria. A partial award of £50,000 was, however, recommended in recognition of the value of this unique community facility to the District. Members also suggested that officers provide feedback to the Barn Theatre's project team concerning the bid.

Regarding the general aspects of the CIL bidding process, the Group considered that applicants should be encouraged, where practicable, to hire Tandridge based contractors for the delivery of projects. However, Members also acknowledged the need to balance value for money aspects against the desire to support the local economy.

RECOMMENDED – that the following be ratified by the Strategy & Resources Committee:

A. awards of CIL be made as follows:

| Project | Award | Revised ranking |
|--|----------------------|------------------------|
| Warlingham Green improvement project – phase 1 | £491,355 | 3 |
| Limpsfield Common access and infrastructure project | £71,032 ¹ | 4 |
| A25 Westerham Road traffic calming / road safety initiatives | £75,000 | 2 |
| Croydon Road, Caterham regeneration | £950,000 | 1 |
| Barn100 – improvements to the Barn Theatre, Oxted | £50,000 | 5 |
| Total CIL grant awarded | £1,637,387 | |
| Balance available for future allocations | £1,459,627 | |

Note 1: subject to the Limpsfield Common access and infrastructure project being completed within 2 years of the commencement date.

- B. representations be submitted to Surrey County Council’s Executive Director of Customer and Communities expressing concern at the imposition of the Surrey Highways 12% supervisory charge for the Warlingham Green improvement project (£37,120);
- C. regarding the A25 (Limpsfield) traffic calming project, a letter be written to SCC, endorsed by all four Political Group Leaders, explaining Members’ reservations about the nature of the bid and the reliance upon CIL funding to expedite the signalised pedestrian crossing but that, nevertheless, the application would be approved in the interests of children’s safety;
- D. an advisory note be attached to all CIL decision notices encouraging the use of contractors from within the District wherever practicable.

Rising: 9.15 p.m.

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Finance – Joint Working Arrangements for Finance Services

Strategy & Resources Committee – 11th January 2022

Report of: David Ford, Chief Executive

Purpose: For Decision

Publication Status: Unrestricted

Wards affected: All

Executive Summary

At the Strategy and Resources Committee meeting on 6th July it was agreed to proceed with an agreement with Surrey County Council ('SCC') in which it would provide the Council ('TDC') with a comprehensive finance function comprising s151 role and leadership and management of a full range of financial functions, and support TDC through the Tandridge Finance Transformation Plan ('TFT').

The detailed finance operating model was finalised in July (attached as Appendix 1) and, following a rigorous selection process, was appointed to in September 2021. The selection process resulted in 3 vacant posts and a recruitment campaign subsequently launched jointly by SCC and TDC to appoint to these 3 posts met with limited success. In reviewing options in the light of market circumstances, alternate structure options have been considered and the following changes to the overall structure are now recommended:

- Appointment to a full time s151 / CFO leadership role; the current CFO (Anna D'Alessandro) would continue to provide support and mentoring to this role both during transition to the new model and then provide ongoing support for 10-20% of her time.
- Remove the Deputy s151 role from the structure (HOS 2).
- Create a new Senior Finance Business Partner role to oversee the service facing function (HOS 1)
- Create a new Exchequer Manager role (M3) to oversee the Exchequer team.
- The corporate finance structure would stay as is.

The proposed new structure is also set out in Appendix 1. The overall cost of the structure following the above changes will remain as previously approved by the Committee in July with no additional cost to TDC. This change will require a variation to the Joint Working Agreement ('JWA') which requires the agreement of both Councils.

This report supports the Council's priority of:

Building a better Council – making the Council financially sustainable and providing residents with the best possible services.

Contact Officer: David Ford, Chief Executive – dford@tandridge.gov.uk

Recommendations to Committee

That the Committee agrees:

1. To approve the new finance structure as set out in Appendix 1.
 2. To authorise the Chief Executive to vary the Joint Working Agreement to reflect this change (subject to the agreement of Surrey County Council).
-

Reason for Recommendation

The Council is in a partnership with SCC to deliver finance services to TDC. The proposal is to amend the approved finance structure and to vary the Joint Working Agreement between the councils to reflect this new structure.

Background

- 1 At the Committee meeting on 25th March, it was agreed to approve the business case to proceed with the provision by SCC of a comprehensive finance function which would enable TDC to benefit from the scale, relevant experience, and range of skills of the SCC finance team, offering continuity for TDC's financial improvement trajectory and an acceleration of the transformation of its finance function.
- 2 Following a period of due diligence, it was agreed at the Committee meeting on 6th July to proceed with an agreement with SCC in which it would provide TDC with a comprehensive finance function comprising a s151 officer; leadership and management of a full range of financial functions and support TDC through the Tandridge Finance Transformation Plan ('TFT') as set out in Appendix 2.

3 The Committee also approved investments necessary to transform the finance function, develop a strong culture of financial management and accountability across TDC and deliver a transformation in the Exchequer Services function. In summary these were:

(a) implement a strengthened operating model for Finance composed of a blended structure between TDC directly employed staff and SCC management oversight, support and guidance. This model would require a recurring investment of (up to) **£76k per annum in a full year from 2022/23** funded as part of the Councils revenue budget; and

(b) **a one-off investment of £80k** required to support the delivery of two of the key workstreams within the plan; £30k for the role of Finance Transformation Lead and £50k to fund the Exchequer Services change team. Funding would be sought from the use of the Council's flexible capital receipts following consideration at Full Council in July.

4 It was further agreed to authorise the Chief Executive to complete the Joint Working Agreement (between SCC and TDC) and the final detailed operating model with SCC, following further detailed discussion and consultation with Group Leaders and the Chair of the Committee.

5 Implementation of the Finance Operating Model

The new finance operating model was approved in July (Appendix 1) and, following a rigorous selection process, was appointed to in September 2021. The selection process resulted in 3 vacant posts (also identified in Appendix 1). A recruitment campaign was subsequently launched jointly by SCC and TDC to appoint to these 3 posts but with limited success:

- Finance Business Partner (service facing) – this has now been filled.
- Finance Business Partner (corporate finance) – this remains vacant with no suitable candidates identified through the initial campaign.
- Senior Finance Business Partner (Deputy s151) - only one candidate was identified to proceed to interview, and they subsequently withdrew having found another job.

6 The gaps created by these posts have been filled by drawing on additional support from within SCC and by external capacity where needed. This has allowed continued progress to be made in delivering the objectives of the TFT programme but has delayed some of the desired improvement activities from being undertaken. The consequence of this has been to push back the go-live date for the new structure by three months and the planned close date of the TFT programme from the end of March to the end of June 2022.

7 Proposed the New Finance Operating Model

In light of market circumstances, alternate structure options have been considered and a revised preferred option is now recommended for adoption. The following changes to the overall structure are proposed:

- Appointment to a full time s151 / CFO leadership role; the current CFO (Anna D'Alessandro) would continue to provide support and mentoring to this role both during transition to the new model and then provide ongoing support for 10-20% of her time; the costs of this will be included in the Joint Working Agreement.
- Remove the Deputy s151 role from the structure (HOS 2).
- Create a new Senior Finance Business Partner ('SFBP') role to oversee all the service facing functions (HOS 1). The two service facing FBPs and the Assistant FBP would all report to this role.
- Create a new Exchequer Manager role (M3) to oversee the Exchequer team. The role would report directly to the CFO post.
- The corporate finance structure would stay as is.

The proposed new structure is also set out in Appendix 1.

8 The change to a full time CFO role (the current arrangement includes a 50% part time role) will strengthen the capacity available at the most senior level of the structure and allow that role to take on more of the operational leadership responsibilities currently vested in the Deputy role. The appointee will continue to receive support and guidance from the current CFO.

9 The remaining responsibilities of the Deputy role will be shared between the new Senior FBP role (to oversee all of the service facing functions) and the new Exchequer Manager role (M3) who will lead and oversee the Exchequer team.

10 The overall cost of the structure following the above changes will remain in line with that previously approved by the Committee in July. There will be an increase in the overall costs of the CFO role and the associated advisory support from the previous CFO plus additional costs for the new SFBP (service facing) role and the new Exchequer Services Manager role. These additional costs will be offset by the removal of the Deputy role.

11 Joint Working Agreement ('JWA') with Surrey County Council

It is important to note that the JWA is not a 'contract for services' with a detailed specification of the services being provided by SCC to TDC. It is a partnership agreement which involves creating a shared finance team to work together with staff directly employed by TDC to achieve the agreed key aims and objectives (as set out in Appendix 1). As part of this agreement, SCC staff will operate under a s113 Agreement of the Local Government Act 1972 to allow them to work for TDC for a part of their time.

- 12 The JWA allows for the form and structure of the finance team to deliver these aims to vary over time (subject to joint agreement) without causing the agreement itself to fail.
- 13 A copy of the JWA will be made available to Members in advance of the meeting on 11th January.

Other Options Considered

A number of variations to the new structure were considered.

Consultation

Discussion has been undertaken through the Member Reference Group with Group leaders, the Chair of Strategy and Resources, the Chief Executive, Head of Legal Services and the current Chief Finance Officer.

Key Implications

Comments of the Chief Finance Officer

The Chief Finance Officer is fully supportive of the proposed approach.

Comments of the Head of Legal Services

The decisions to enter into a joint arrangement regarding the in-house Finance function, and the subsequent performance of this arrangement has been formally agreed by each council.

The arrangements for a joint arrangement can take a number of forms. In this instance, it is proposed that both councils enter into a Joint Working Agreement under sections 101, 102, 111, 112 and 113 of the Local Government Act 1972 and s.9EA of the Local Government Act 2000 and the Regulations made under these Acts (to include but not limited to the Local Authority (Arrangement for the Discharge of Functions) (England) Regulations 2012), together with the general power within section 2 of the Local Government Act 2000 and the supporting provisions within section 111 of the Local Government Act 1972.

As agreed by Members at their meeting of the 25th March 2021, a termination provision was to be incorporated in such an agreement. This is carefully addressed in the draft agreement allowing for the agreed termination of the joint service arrangement with a twelve-month notice period and that in circumstances of a material breach that cannot be remedied, three months' notice is to be given.

The agreement also includes a sensible (both in process and time frame) provision for the resolution of disputes. It is clear from the agreement that it is the intention to facilitate a fair and balanced arrangement which works well for both sides and is open to discussion and review.

Equality

It is not foreseen that there are any direct equality implications as a result of the recommendations in this Report. Options will be rigorously assessed as the TFT plan progresses.

Climate Change

There are no significant environmental / sustainability implications associated with this report.

Background Papers

Report to Strategy & Resources Committee, 25th March 2021.

Report to Strategy & Resources Committee, 6th July 2021.

Shared Finance Operating Model

The Joint working Agreement sets out that the direction and development of the shared finance function will be guided by an overall mission and a set of guiding principles taken together as set out below:

Overall Mission

To blend the skills, experience and expertise of the Surrey and Tandridge teams into a high performing, resilient, finance function for the Council.

To build a trusted, proactive and insightful Finance Service which is at the heart of a strong culture of financial management, accountability and evidence-based decision making across the Council.

To improve our processes and use our systems more effectively to increase efficiency, free up capacity and strengthen controls

Guiding principles - for the finance function

Stability – provides TDC with a long-term stable finance function

Resilience – able to withstand pressures and demands placed upon it

Expertise – provides TDC with access to specialist expertise in key areas

Partnership oriented – a strong focus on partnering with TDC services and working effectively across both councils to make best use of the experience and expertise of both

High performing – provides a basis & environment for the team to perform at a high level

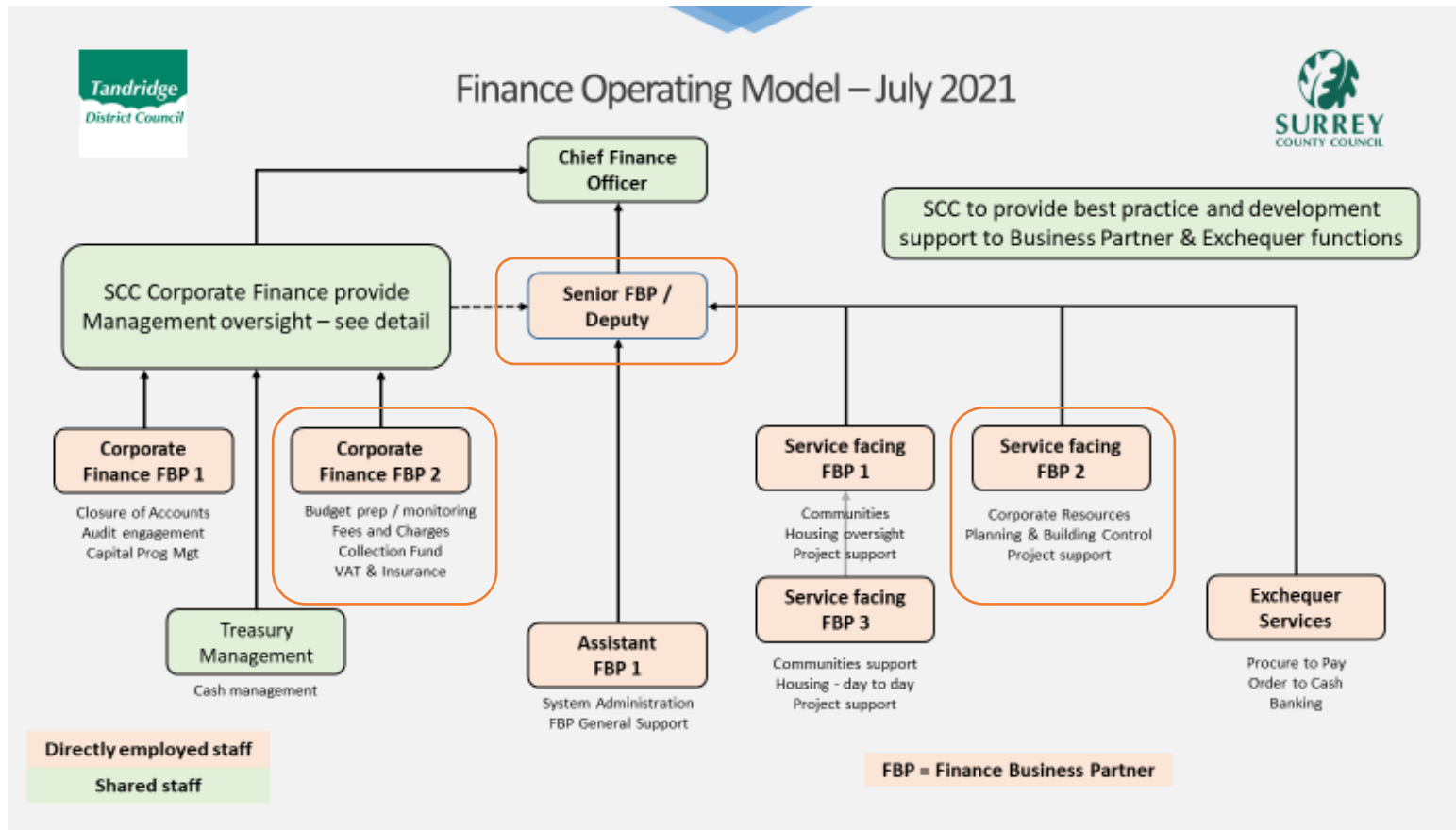
Guiding principles – the role of finance within the Council

Trusted – services trust the advice of the service to inform their plans

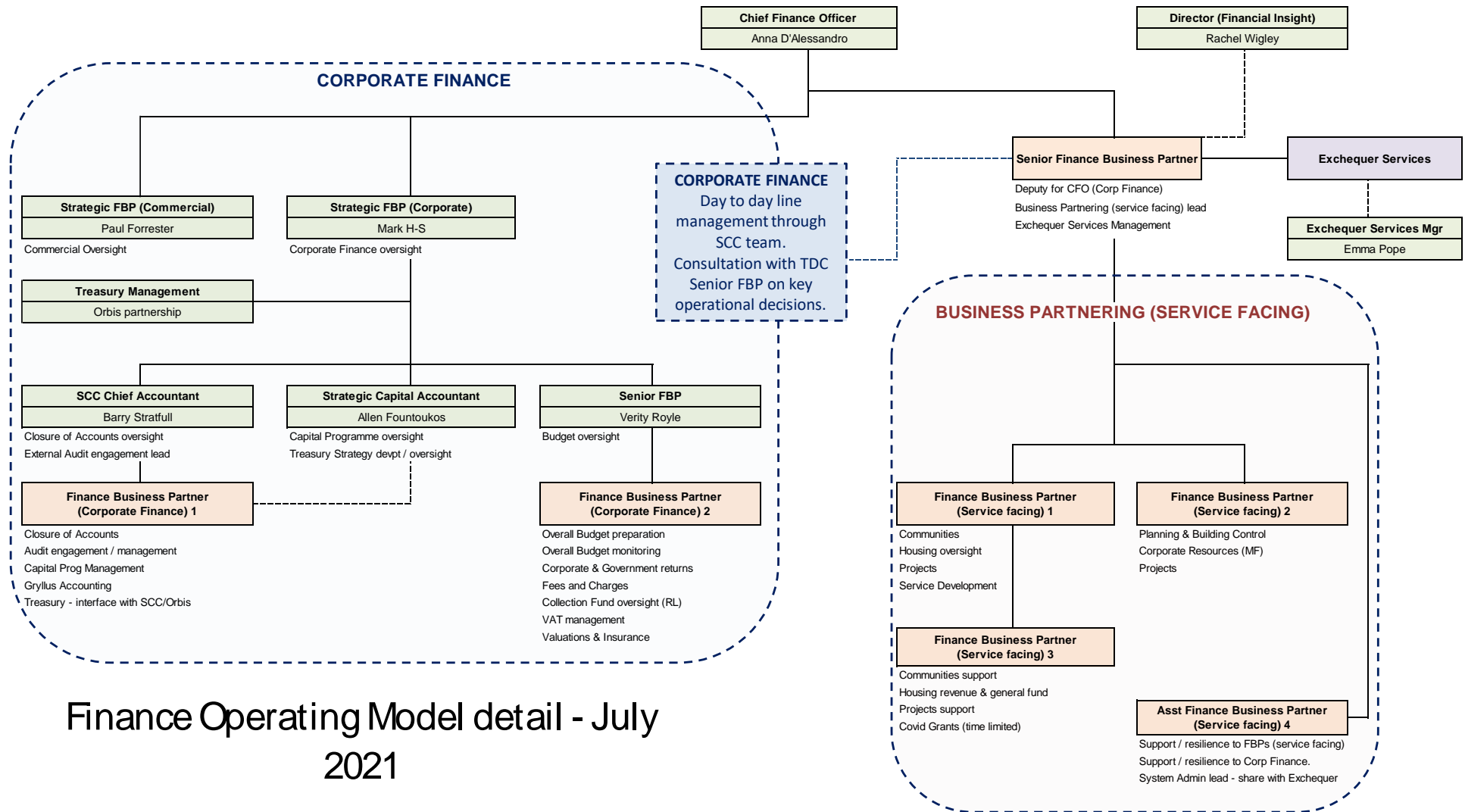
Proactive & insightful – proactively supports services in their plans rather than ‘firefighting’

Leads a culture of strong financial management and accountability – is at the heart of leading the development of strong financial management in the council

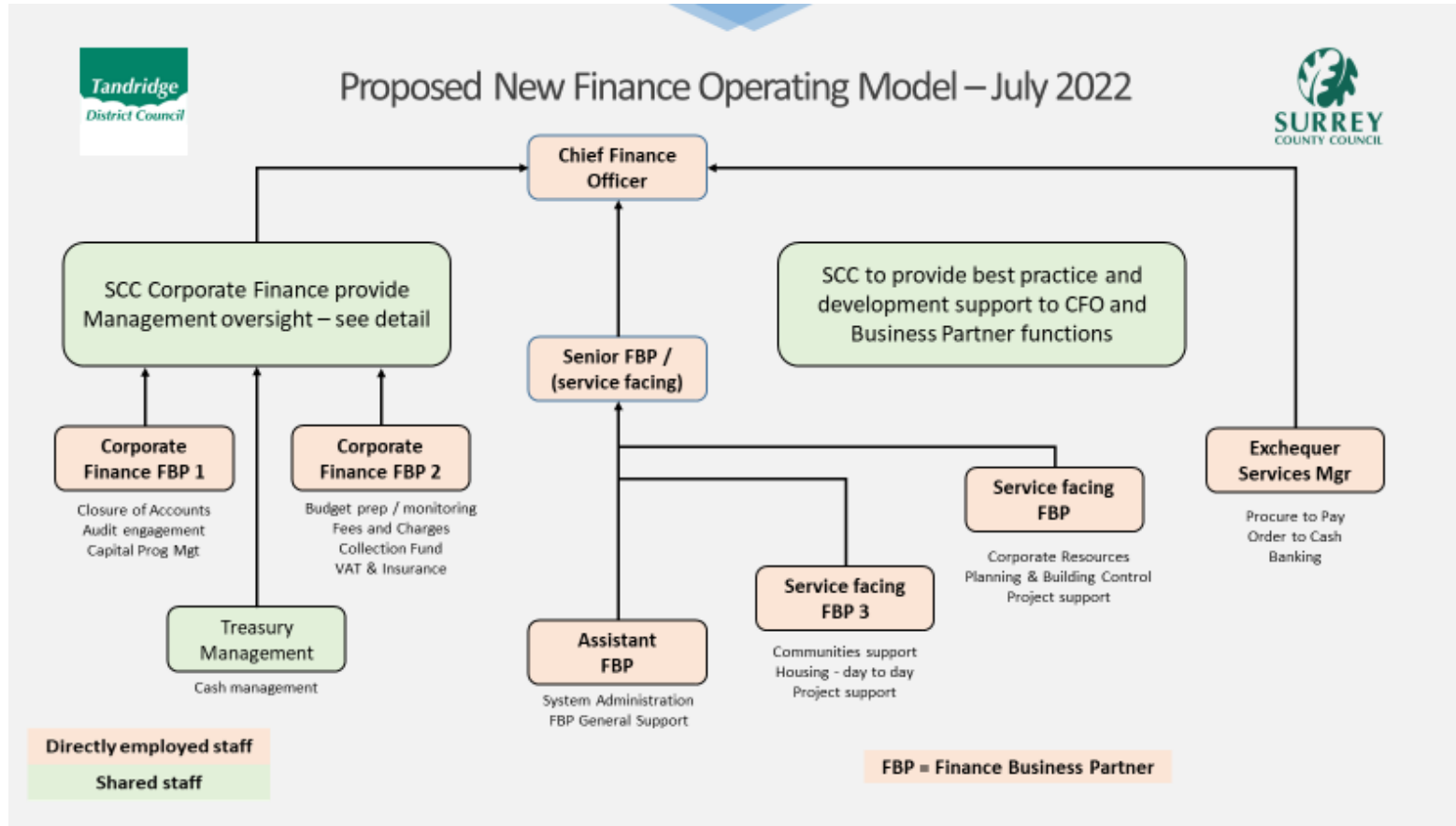
Locally owned – recognised as Tandridge ‘owned’

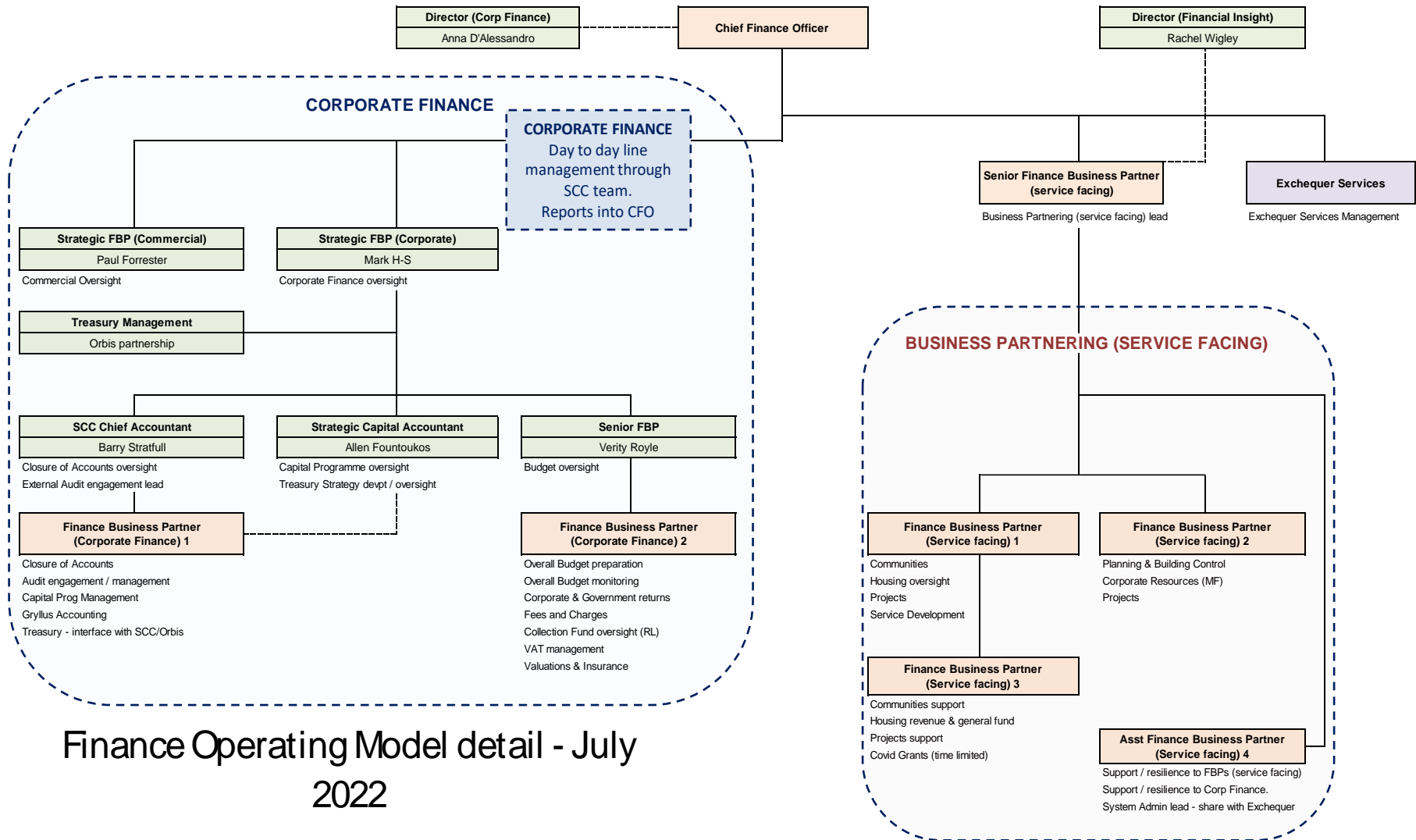


Indicates posts vacant following selection process in September 2021



Finance Operating Model detail - July
2021





Finance Operating Model detail - July
2022

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The Tandridge Finance Transformation (TFT) programme

At the Strategy and Resources Committee meeting in March it was agreed to proceed to a joint working agreement with Surrey County Council (SCC). This will provide the Council with a comprehensive finance function comprising the s151 role and leadership and management of a full range of financial functions.

The Tandridge Finance Transformation programme was subsequently developed and approved at the Strategy and Resources Committee in July. This programme is supported by Surrey County Council aims to deliver improvements in both the finance function in and across a range of areas across the council.

TFT Programme Workstreams

The TFT plan sets out 5 workstreams which taken together will transform the finance function and the role of finance within the Council. The overriding purpose of each workstream is set out below.

a) New Finance Model

A right-sized, re-shaped and strengthened model and staffing structure. This is a blend of TDC directly employed staff and senior members of the SCC finance team who will provide management oversight, best practice guidance and if applicable direct delivery of services. The Council also agreed to invest an additional £76k per annum to provide additional capacity within the team and deliver greater resilience and capability.

b) SCC transition

A transition of the SCC finance team to provide management oversight, best practice guidance and (in some cases) take on delivery of services to TDC.

c) Organisational Development

Strengthened overall financial management, increased budget holder ownership and accountability and increased grip over and adherence to key corporate processes and controls across the wider Council, allowing better identification and management of financial risks.

d) Exchequer Transformation

A transformed Exchequer function with a reshaped team, a new set of business rules and controls which are operating effectively, a refined set of documented processes with clear ownership and performance metrics underpinned by an optimised use of the core financial systems resulting in a reduction of manual workarounds. The Council agreed to invest £50k in the project team to deliver these changes.

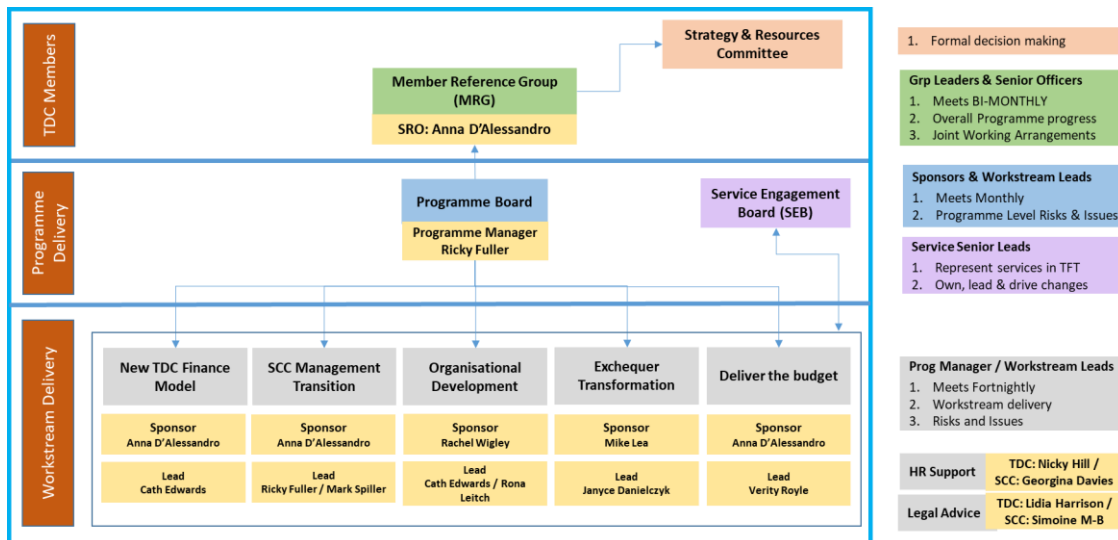
e) Deliver the Budget

This workstream will ensure a continuing focus on delivering the 2021/22 budget and the savings required to ensure a robust future financial position is established going forward, whilst incorporating the outcomes of the Grant Thornton forensic review.

Programme Governance

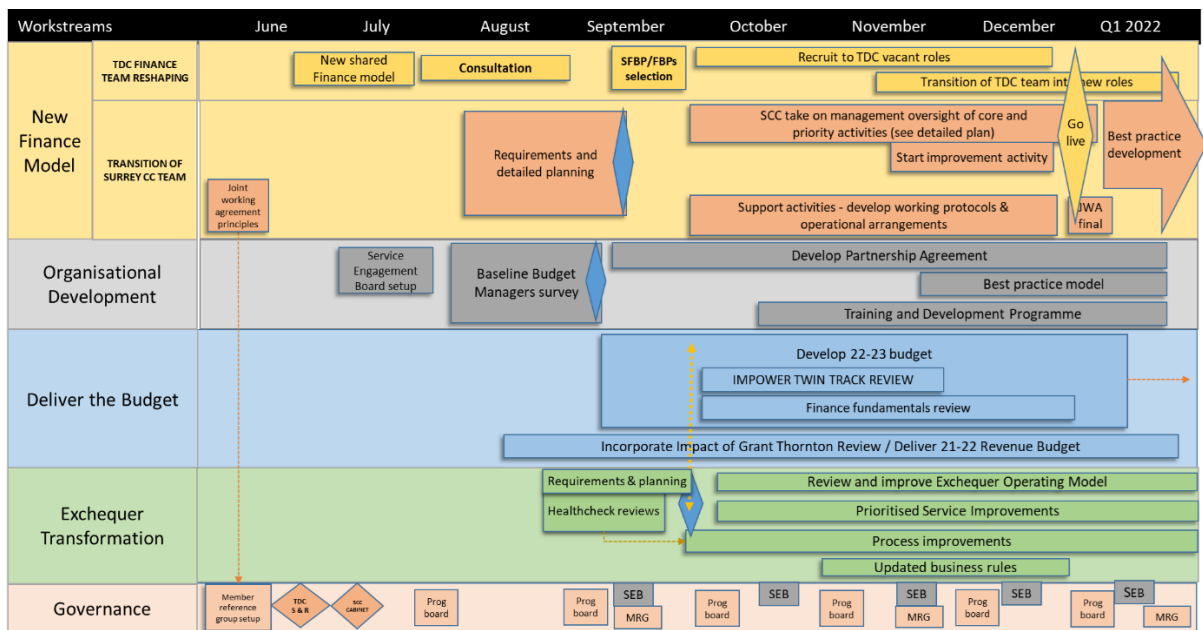
The TFT programme is managed as shown in the chart below with progress monitored through a Member Reference Group and formal decisions taken through the Strategy and Resources Committee.

The plan delivery is managed through a Programme Board and Programme Manager with each of the 5 workstreams having a sponsor and lead officer.



Progress to date

A programme roadmap has been created to track the delivery of each of the workstreams (as shown below), supported by detailed plans for each activity.



The TFT programme has made good progress. Current achievements include:

- remodelling the joint TDC and SCC finance team to align with the SCC finance function and provide additional capacity, resilience and expertise
- appointing to the new structure TDC finance function
- transitioning in senior members of the SCC finance team to provide management oversight
- building a 'one team' approach across the TDC and SCC teams
- establishing a finance service engagement board to oversee improvements in financial management across the Council
- undertaking a budget managers survey to determine areas of strength and areas for improvement and actions to address weaknesses
- providing TDC with access to the award-winning SCC Finance Academy

- undertaking a financial system healthcheck review of the key Exchequer processes (payments, banking and debt collection)
- identifying improvements in financial reporting
- developing plans to address the 15 recommendations arising from the Grant Thornton review.
- undertaking an in-depth review of areas which underpin confidence in the accuracy of the budget including a review of the Balance Sheet, Reserves, Provisions and associated policies, a review of the control and suspense accounts and a line-by-line review of every 2021/22 budget line, to ensure the base budget is sound
- commissioning of the Twin Track budget review to support the identification of savings and income generation to offset reductions in funding and ongoing service pressures for 2022-23 and to inform the budget approach for 2023-24

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Strategy & Resources Quarter 2 2021-2022 Performance Report

Strategy & Resources Committee Tuesday, 11 January 2022

Report of: Chief Executive

Purpose: For information

Publication status: Open

Wards affected: All

Executive summary:

- The appendices to this report contain data on the Committee's key performance indicators and risks, to enable the Committee to monitor how the Council is delivering the services for which it is responsible.
 - This report also includes an additional section (3.1.3) updating on sickness absence.
-

This report supports the Council's priority of: Building a better Council

Contact officer William Mace – Programme Management Officer

Recommendation to Committee:

That the Quarter 2 2021-2022 performance and risks for Strategy & Resources Committee be accepted.

Reason for recommendation:

To support the Committee to monitor and manage its performance and risks.

1. Introduction and background

- 1.1. Since April 2020 performance and risk reports have been presented to each policy committee on a quarterly basis. The reports include a covering report and appendices with individual performance charts the committee’s risk register. This committee also receives the corporate risk register.

2. Notes on performance and risk data

- 2.1. See Appendix A, B and C for performance data, committee risk register, and corporate risk register respectively.
- 2.2. Wherever possible the most recent data has been included in the appendices, regardless of whether it technically falls into the reported quarter. However, due to the committee report timelines, there may be occasions where data is not available in time for the committee report. In these cases, the data will be provided in the next scheduled report.
- 2.3. The Council uses the following risk scoring matrix:

| | | | | | | |
|------------|-------------|---|--------|--------|------|-----------|
| Likelihood | Very Likely | 4 | 4 | 8 | 12 | 16 |
| | Likely | 3 | 3 | 6 | 9 | 12 |
| | Possible | 2 | 2 | 4 | 6 | 8 |
| | Unlikely | 1 | 1 | 2 | 3 | 4 |
| | | | 1 | 2 | 3 | 4 |
| | | | Low | Medium | High | Very High |
| | | | Impact | | | |

3. Quarter headlines

3.1. Performance

- 3.1.1. At the end of August 2021, we achieved target for 4 out of 10 indicators. We missed our targets for:
- Days taken to process Housing Benefit/Council Tax Benefit new claims
 - Days taken to process Housing Benefit/Council Tax change events.
 - Staff sickness overall.

- The percentage of calls answered within 60 seconds by Customer Services.
- Number of Overdue Complaints.
- Number of Overdue Freedom of Information Requests (FOIs).

3.1.2. See Appendix for more details.

3.1.3. Sickness absence update:

We have a slight increase in short term sickness due to general coughs and colds with the change of season and weather, and we are also seeing an increase in general flu symptoms because of coronavirus and people being in lockdown for long periods of time. Long term absences have slightly increased in number of days absent. We have six cases deemed long term and two who have recently returned on a managed phased return. There is no correlation between the absence reasons, they vary significantly. Due to the nature of the illnesses and requisite recovery periods, affected staff have been off for a significant amount of time.

3.2. Risk

3.2.1. There is one red risk on the committee register:

- Inability to maintain high standards of delivery for statutory services.

3.2.2. There are five red risks on the corporate risk register:

- Local plan is found unsound by the Inspector;
- Lack of resources constrains the Council's "business as usual" capacity;
- Lack of capacity in Planning Department negatively impacts performance and delivery of service, such as determining applications in statutory timeframes and managing complaints and FOIs.
- Inability of Council to make savings as identified in the Medium Term Financial Strategy and to balance the Council Budget in 2021/22 and 2022/23.
- Inability to carry out waste collection service in-line with the performance management framework.
- Resources unavailable to progress climate change action plan in set timescales.

3.2.3. See Appendix B and C for details.

4. Key implications

4.1. Comments of the Chief Finance Officer

- 4.1.1. There are no direct finance implications arising from this report.
- 4.1.2. However, the missed targets on the performance data are likely to have resource implications in improving standards and meeting our targets in the future. If targets continue to be missed the Council could face penalties, for example loss of Housing Benefit income due to local authority error in processing changes to benefit claimant's circumstances or penalties from the ombudsman in relation to complains or failure to respond to FOI requests.
- 4.1.3. The red risks flagged above represents considerable risk to the Council and could lead to additional resources and cost implications if they come to pass. These risks will need to be monitored closely ensuring they are mitigated where possible.
- 4.1.4. The impact of any additional cost pressures will be shown in the monthly budget monitoring reports. It is still possible that the impact of Covid-19 will add additional costs to projects and delay the speed of implementation.
- 4.1.5. The key risks, their likelihood, impact and mitigation are identified in the Risk Registers at Appendix B and C with each risk allocated to a risk owner.

4.2. Comments of the Head of Legal Services

- 4.2.1 There are no direct legal implications arising as this report is intended to provide information for reporting purposes only.
- 4.2.2 However, the report does provide Councillors with an overview of the achievement of targets in the past quarter and highlights risk management considerations where appropriate.

4.3 Other corporate implications

Not applicable.

4.4 Equality

- 4.4.1 This report contains no proposals that would disadvantage any particular minority groups.

4.5 Climate change

- 4.5.1 This report contains no direct proposals that would impact on the Council's commitment to climate change.

5 Appendices

- Appendix 'A' – Performance Charts
- Appendix 'B' – Committee Risk Register
- Appendix 'C' – Corporate Risk Register

6 Background papers

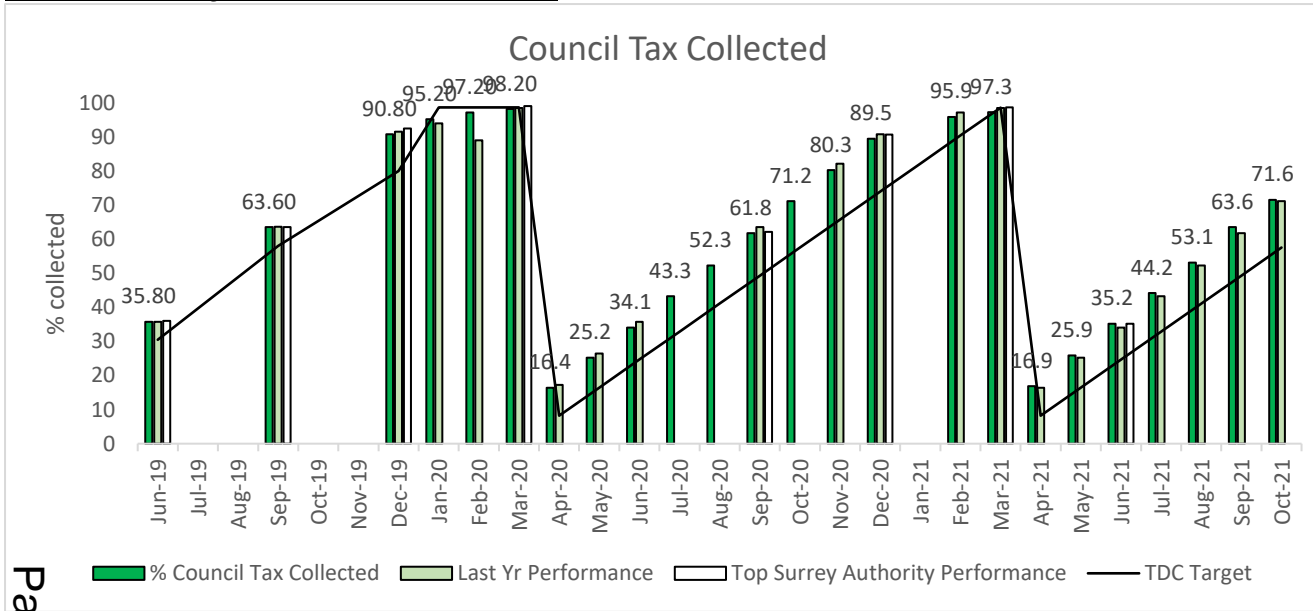
None.

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APPENDIX A – Strategy & Resources Performance Charts

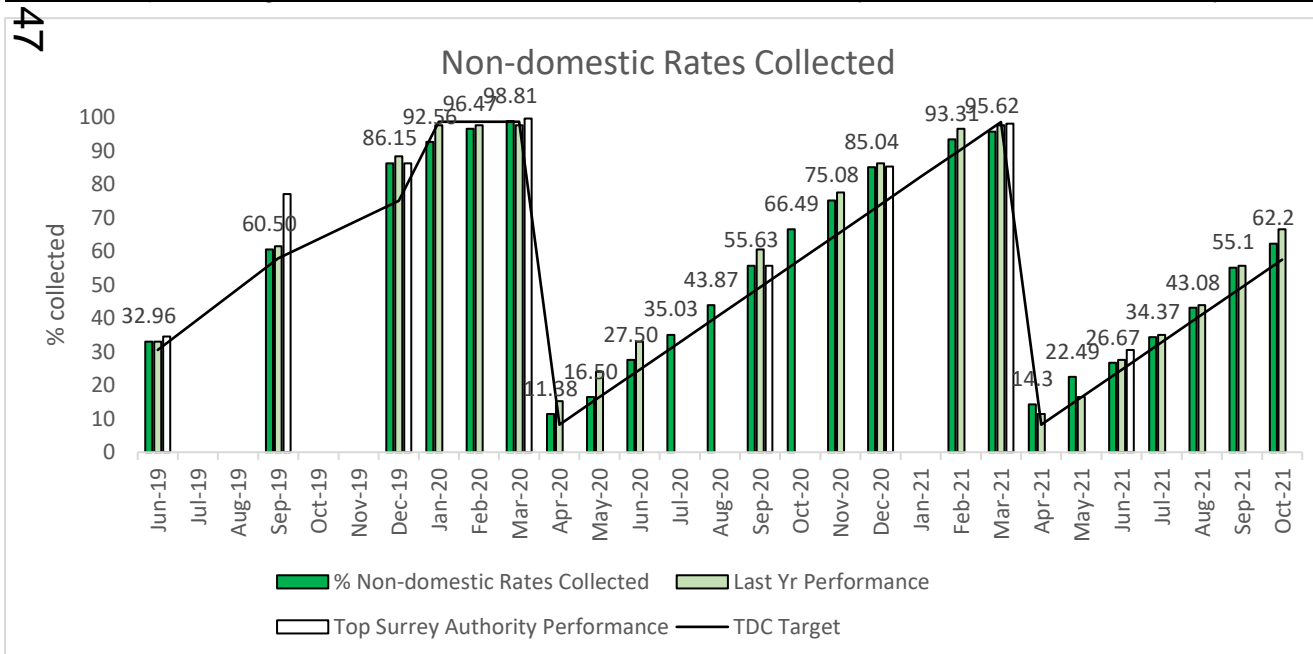
SR1 - Percentage of Council Tax collected



Performance Summary

- Collection performance is 14.06% above the increasing monthly target, which at the end of October 2021 stood at 57.54%. Performance is 0.40% better than that of the same period in 2020/21, when collection rates were 71.20%.
- Target: 98.7% (end of year, cumulative).

SR2 - The percentage of non-domestic rates due for the financial year which were received by the Council

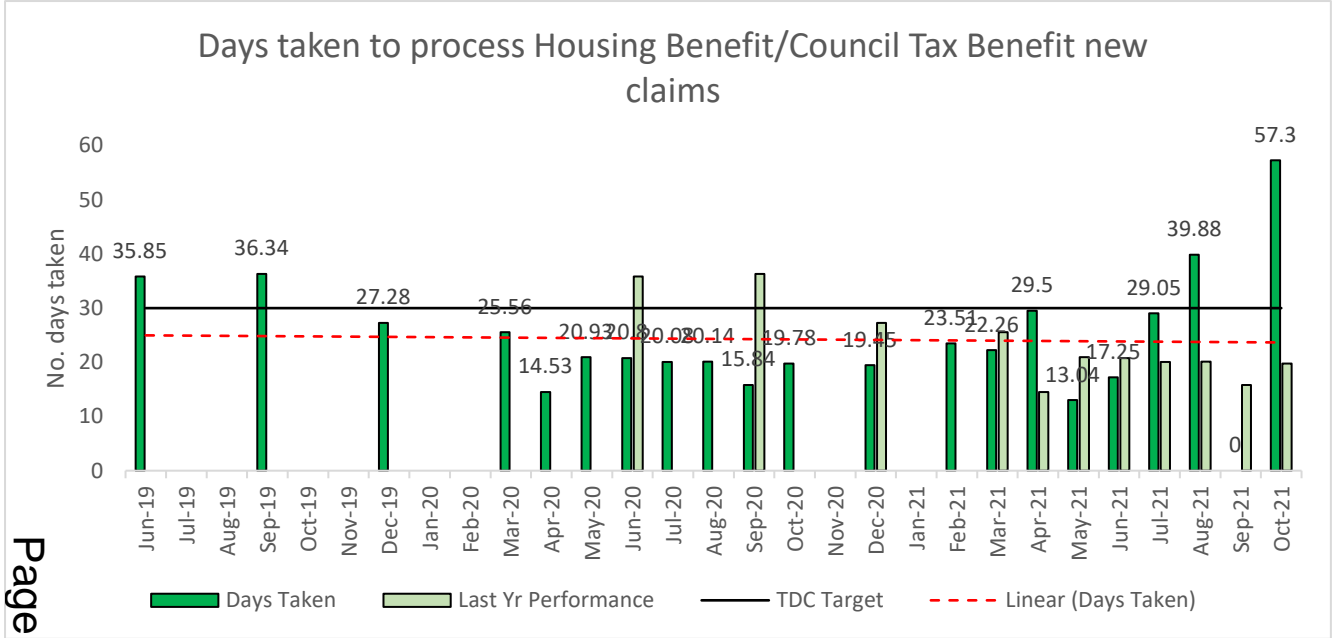


Performance Summary

- Collection performance is 4.73% above the increasing monthly target, which at the end of October 2021 stood at 57.47%. Performance is 0.29% lower than that of the same period in 2020/21, when collection rates were 66.49%.
- Target: 98.6% (end of year, cumulative).

APPENDIX A – Strategy & Resources Performance Charts

SR3a - Days taken to process Housing Benefit/Council Tax Benefit new claims

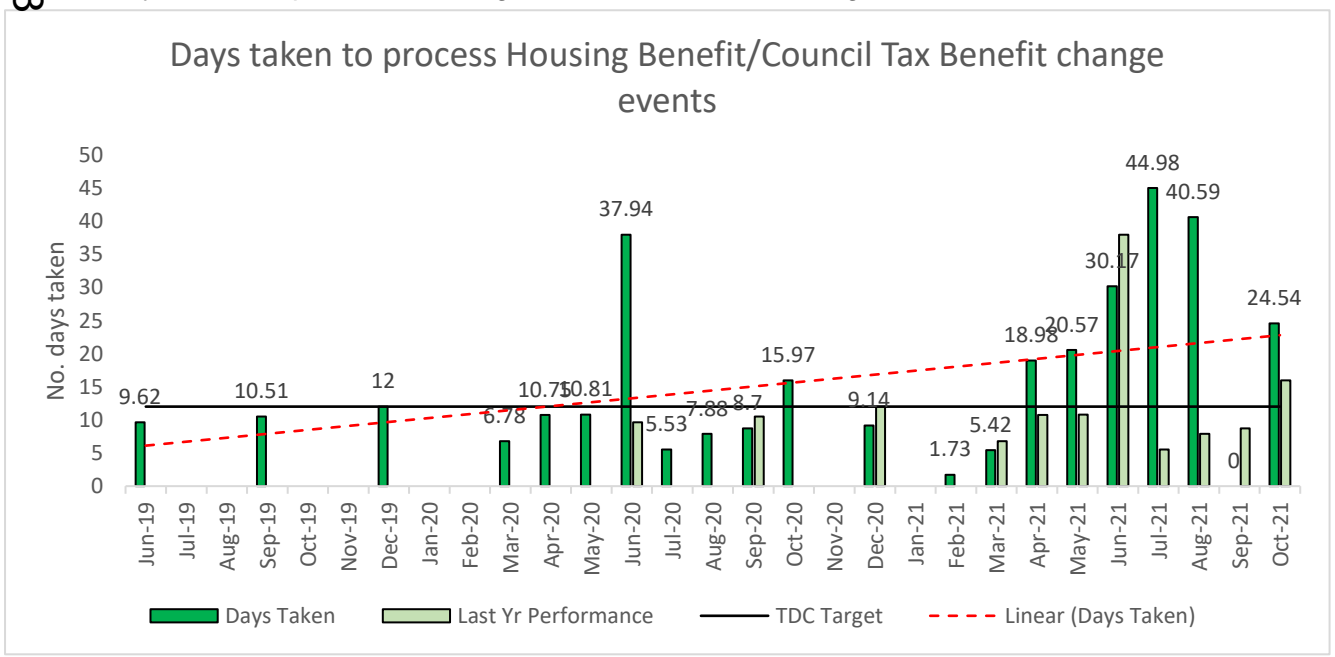


Performance Summary

- The high day stats are to be expected as we have had a period of time without an IT system between September and October. The high day stats are a result of a combination of staff getting used to a new system, backlog due to system closure and a key piece of automation which will not be implemented fully until the end of the year. The processing stats for November will probably be impacted as well.
- Target: 30 days.

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SR3b - Days taken to process Housing Benefit/Council Tax change events

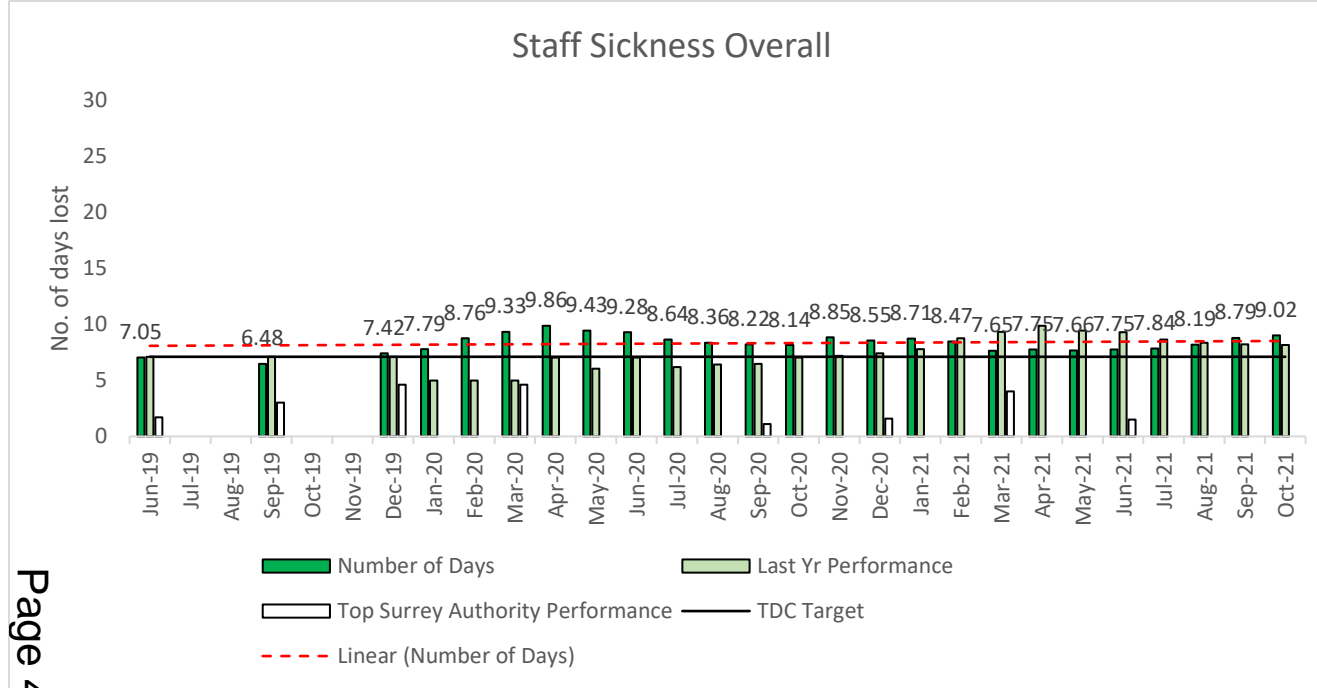


Performance Summary

- See above - the same issues have affected processing stats for CIRCS as well.
- Target: 12 days.

APPENDIX A – Strategy & Resources Performance Charts

SR4 – The number of working days/shifts lost due to sickness absence (long and short-term)

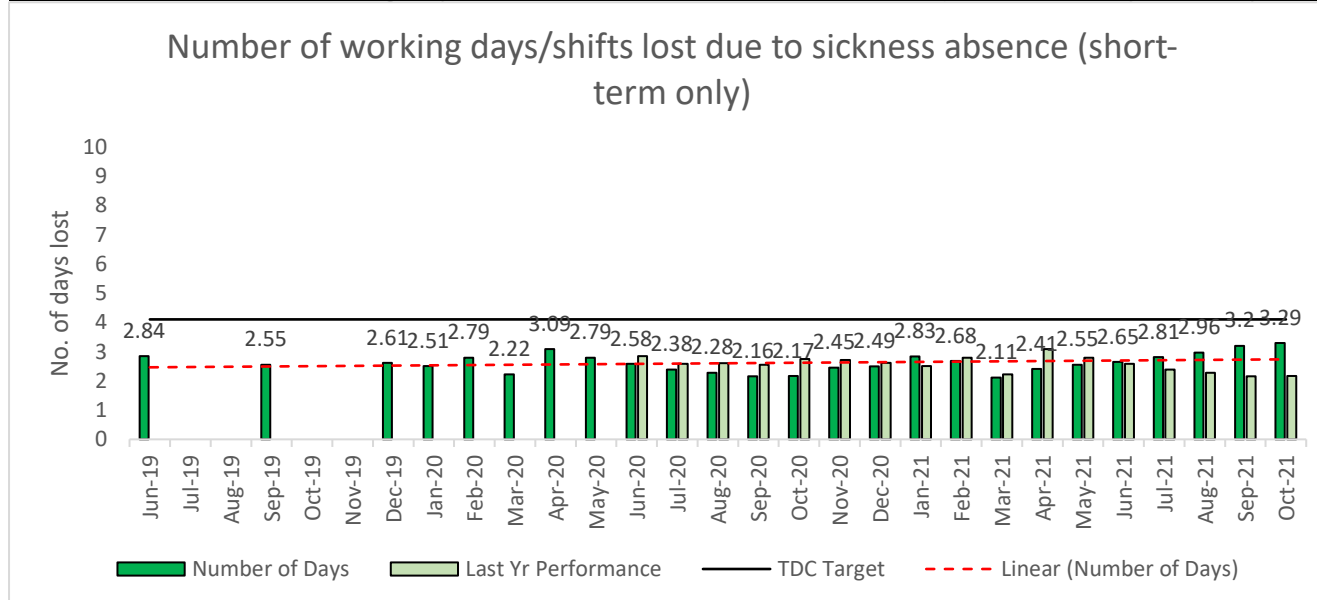


Performance Summary

- Sickness absence in Oct 2021 of 0.89 per FTE is down on Sep 2021 (1.05 days) per FTE.
- Rolling annual sickness absence figure is reported at 9.02 days per FTE on the year to 31 Oct 2021, compared to 8.79 days in the previous month (Sep 21). This is up on the 12-month rolling figure, like-on-like to 2019/20 (8.14).
- See Section 3.1.3 in covering report for further information.
- Target: 7.1 days.

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SR5 – The number of working days/shifts lost due to sickness absence (short-term only – 20 days or less)

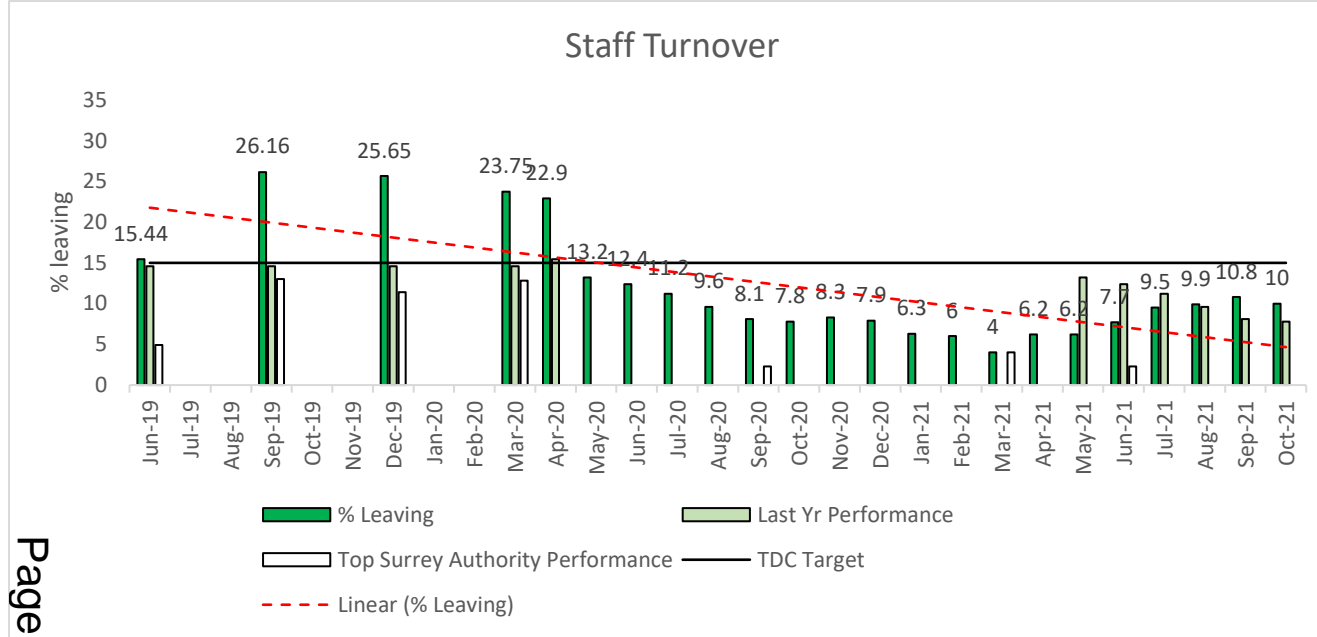


Performance Summary

- Short-term absences in October 2021 accounted for approximately 32% of the total sickness absence (0.29 days per FTE), compared to 38% in the same period last year.
- The rolling short term absence for the 12 months to October 2021 is 3.29 days per FTE, compared to 2.17 in the same period last year.
- See Section 3.1.3 in covering report for further information.
- Target: 4.1 days.

APPENDIX A – Strategy & Resources Performance Charts

SR6 – Staff turnover

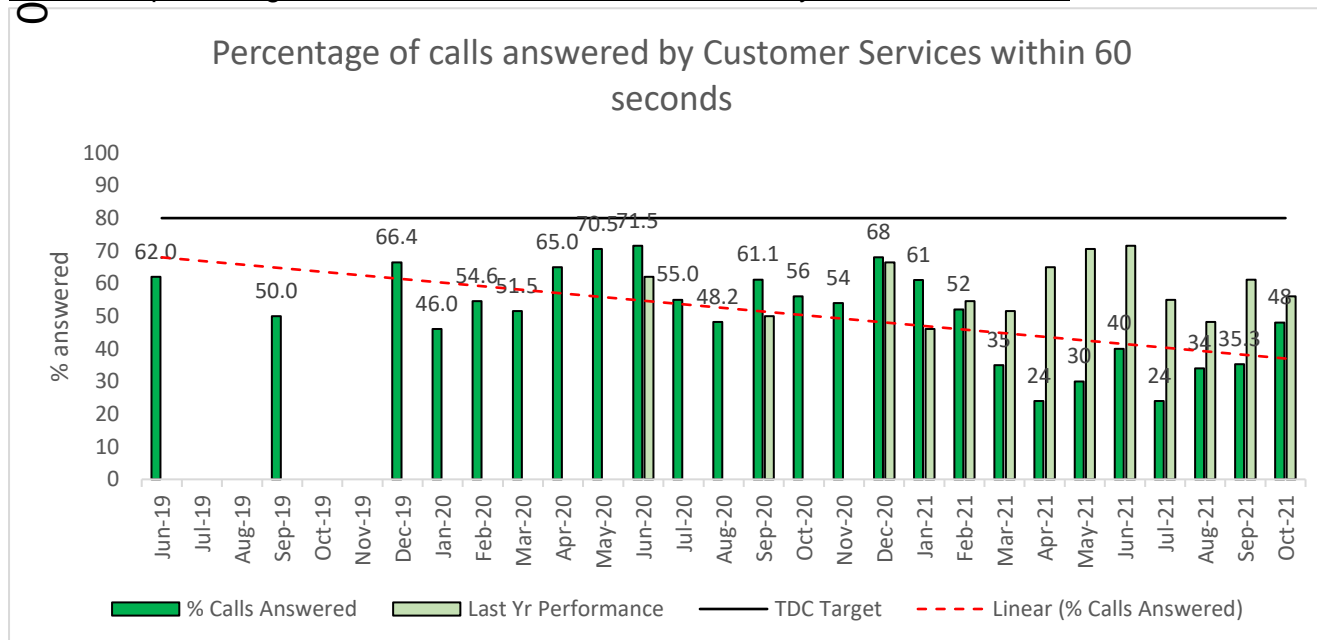


Performance Summary

- This KPI reports on a 12-month rolling period.
- Out of the 37 leavers in the reporting period to October 2021, 10 were for non-voluntary reasons.
- Overall turnover remains at 13.8% as at 31 October.
- The annual (voluntary leavers) turnover figure as at October 2021, is slightly down at 10.0% (10.8%).
- Target: 15%.

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SR7 - The percentage of calls answered within 60 seconds by Customer Services

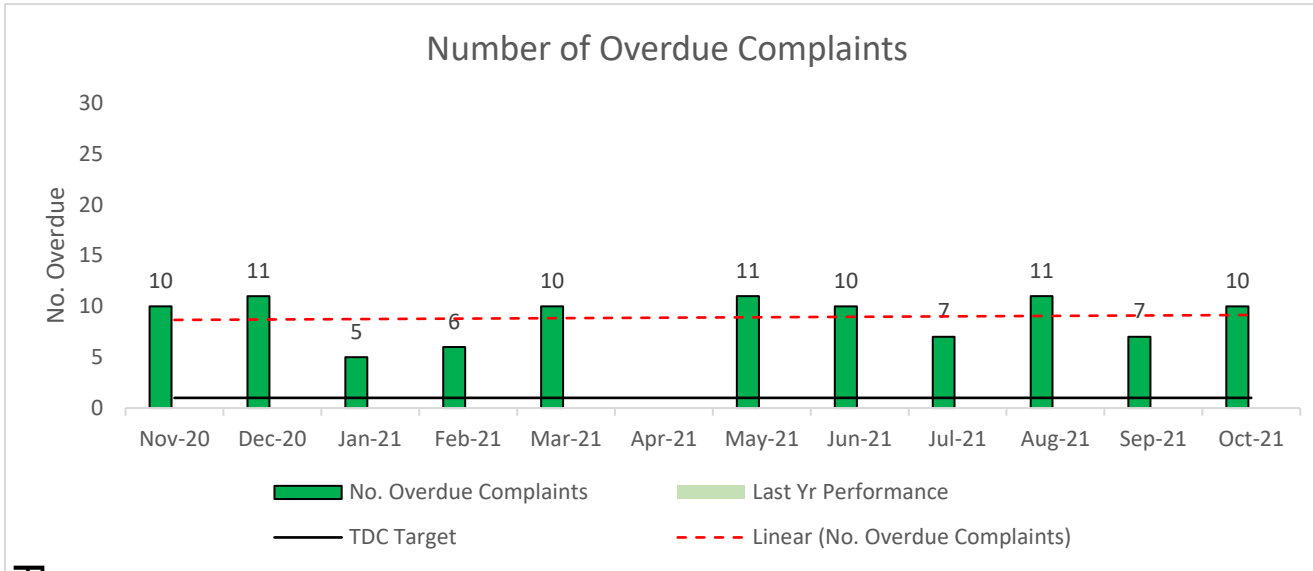


Performance Summary

- 6640 calls received, 1218 emails and 1272 cases processed. The reception has now been open 2 months and the average number of customers visiting is 60 per week, which requires one member of staff to monitor full time each day. Currently there are 2 vacancies within the team. One key variant is the length of calls. The average call length has doubled for the waste & recycling line. The average call length being 6 mins 57 seconds and Council Tax recovery at 6 mins 11 seconds. This is a knock-on effect of the new council tax system as staff customers become acquainted with it. Work is ongoing to look at alternative solutions to prevent customers calling about bins and to encourage them to report issues only online.
- Target: 80%.

APPENDIX A – Strategy & Resources Performance Charts

SR8 – Number of Overdue Complaints

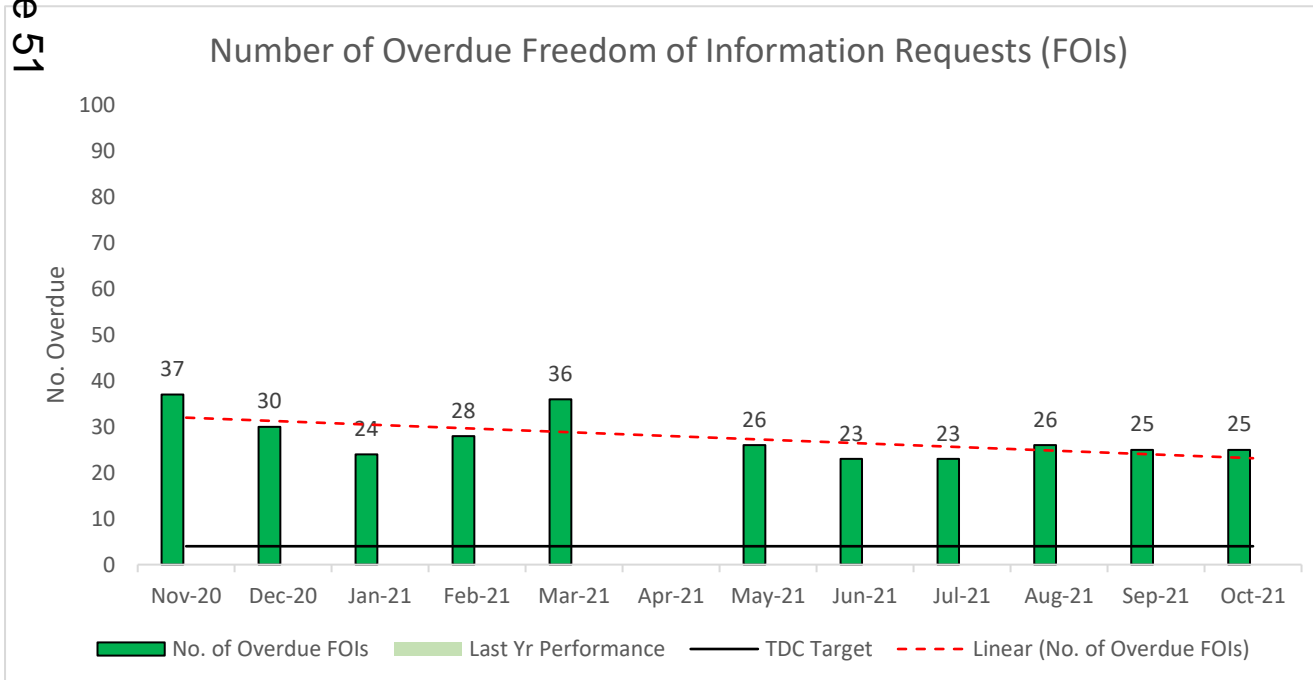


Performance Summary

- Corporate monitoring and regular reminder emails to case owners continue to be sent, including regular reports to the Senior Leadership Team and Audit & Scrutiny Committee.
- The information governance management team is reviewing current processes and procedures to see if further improvements in these areas could improve performance.
- Capacity has an impact on response times, as well as the complexity of the complaints.
- Target: 1 - currently baselined to 10% of November 2020 data.

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SR9 – Number of Overdue Freedom of Information Requests (FOIs)



Performance Summary

- See above.
- Target: 4 - currently baselined to 10% of November 2020 data.

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APPENDIX B - Strategy and Resources Committee Risk Register

| Ref: | Category | Risk cause and event | Risk consequences | Risk owner | L | I | RAG | Mitigating actions and responsibility | Status update | Included in Corporate Register |
|------|-------------|---|---|--------------------------------|---|---|-----|---|--|--------------------------------|
| SR1 | Operational | Lack of resources constrains the Council's "business as usual" capacity | <ul style="list-style-type: none"> * Non-delivery and disruption of statutory and non-statutory services. * Increased staff absence levels and staff turnover. * Reduction in staff resilience. * Council suffers loss or temporary unavailability of key staff | Chief Executive | 4 | 4 | 16 | <ul style="list-style-type: none"> * Executive Leadership Team reviewing operating models and digital transformation options to release capacity where possible. * Finance capacity / resilience being reviewed as part of Finance shared service arrangement with Surrey County Council. * Senior managers proactively support teams to prioritise actions. * Support for staff welfare in place (e.g. mental health first aiders). * Appropriate HR policies in place (e.g. flexible working). | <ul style="list-style-type: none"> * Future Tandridge Programme being developed - led by the Chief Executive - to address prioritisation, resourcing, resilience and organisational development issues. * Draft Programme to be discussed at Councillor Briefing on 19 January followed by decision to implement at Strategy and Resources on 1 February. | Yes |
| SR2 | Operational | Inability to maintain high standards of delivery for statutory services | <ul style="list-style-type: none"> * Reputational impact. * Lack of confidence from Members. | Chief Executive | 3 | 4 | 12 | <ul style="list-style-type: none"> * Corporate Improvement Board in place. * Staff able to work from home and access all relevant information. * Processes and procedures in place. * Performance monitoring in place. * Management actions are devised for all audit observations, which are approved by the Executive Lead and monitored internally by the Corporate Improvement Board. * Monthly liaison meetings are held with our internal auditors. * Internal audit progress reports are brought to Audit & Scrutiny Committee and Members made aware of any no or limited assurance audit reports. | <ul style="list-style-type: none"> * Future Tandridge Programme includes robust Service Review and Redesign process through which all services - including statutory services - will be assessed. This will include determination of appropriate future service levels and exploration of alternative delivery models * Work on Finance and Planning transformation projects in advanced stages. | |
| SR3 | Financial | Inability of Council to make savings as identified in the Medium Term Financial Strategy and to balance the Council Budget in 2021/22 and 2022/23 | <ul style="list-style-type: none"> * Negative impact on the Council's budget. * Council exhausts reserves to balance the budget. * Reduce services / resources. * Section 114 notice required to be issued by Chief Financial Officer leading to cessation of non-essential spend and essential service provision at minimal level. * Reputational damage. | Chief Financial Officer & S151 | 3 | 4 | 12 | <ul style="list-style-type: none"> * Action plan produced to address recommendations from Grant Thornton review. * Savings trackers used to monitor savings delivery in 2021/22 (reported monthly to the Executive Leadership Team and Members as part of the finance reports). If savings reported are not achieved then the Service will have to find compensating savings from their budget. * Ensuring appropriate use of government issued Covid-19 grants and all COVID costs and income loss are accurately used and reported. * Reserves can be used to support the achievement of savings. However, we have built Reserves as part of the 21/22 budget setting process to provide us with resilience and flexibility over the medium-term where there is significant funding uncertainty. We are only getting to the point over the next year or so where we were at higher Reserves levels a number of years ago. We would look to prioritise those investments by using Reserves which provide a payback (in an invest to save approach). * The HR/Finance Panel (inc. the Chief Executive and Chief Finance Officer) approve all new appointments (permanent and interim) and extensions. * Arbitrary cuts to budgets can be enforced but this is a blunt instrument and better done in a targeted way. | <ul style="list-style-type: none"> * 22/23 Draft Budget & MTFs was presented to S&R on 2nd Dec and was noted. The report will be updated based on the Provisional Settlement due on 16th December and presented as part of the Final Budget Report to Committees in Jan, to S&R on 1st Feb and FC on 10th Feb. A draft balanced budget has been presented and there is confidence that the a final budget will also be balanced with minimal use of Reserves. The 21/22 position is challenging due to the commercial environment and now that the 20/21 has been approved by S&R on 2nd Dec, monthly Finance Reports on the position will be sent to Members. If we do not end the year in a balanced position, any deficit will need to be taken from Reserves. | Yes |
| SR4 | Programme | Resources unavailable to progress climate change action plan in set timescales | <ul style="list-style-type: none"> * Delays to reducing the council's operational carbon emissions as early as possible, and in line with the 2030 ambition. * Negative impact on council's reputation in this area. | Chief Executive | 4 | 3 | 12 | <ul style="list-style-type: none"> * Red due to resources remaining strained and causing delays to AP actions. * Reporting lines for Programme established – inc. to ELT. * Regular comms between PMO and delivery officers. * Agree to tolerate residual risk as programme is not one of the Council's critical / statutory services. | <ul style="list-style-type: none"> * New risk added to the register 12/10/21 at executive leadership team meeting. * Council's role and subsequent resourcing requirements to be reviewed through Strategic Plan refresh. | Yes |

APPENDIX B - Strategy and Resources Committee Risk Register

| | | | | | | | | | | |
|------|------------|---|--|---|---|---|---|--|---|-----|
| SR5 | Governance | Senior management vacancies inhibit corporate performance and improvement | <ul style="list-style-type: none"> * Negative impact on corporate performance * Impact on corporate governance * Limit progress on internal audit and corporate improvement work * Increase corporate instability * Increase staff anxiety with lack of / unclear strategic direction | Chief Executive | 3 | 3 | 9 | <ul style="list-style-type: none"> * Chief Executive progressing recruitment to vacant Chief Planning Officer post, and assessing most appropriate solution to replace the Executive Head of Corporate Resources who will leave the Council at the end of July 21. | <ul style="list-style-type: none"> * Senior management restructure being considered in the new year to address current vacancies and work towards transforming Tandridge. * ELT/SLT now working more closely together on corporate priorities. | Yes |
| SR6 | Governance | Failure to process Housing Benefits in-line with targets | <ul style="list-style-type: none"> * Failure of statutory duty. * Reduced / delayed support to recipients. * Reputational damage. * Reduction in administration grant fund. | Specialist Services Manager | 3 | 3 | 9 | <ul style="list-style-type: none"> * Replacement of revenues and benefits software system underway, with appropriate oversight and risk management in place. * Established working protocols. * Team resourcing closely monitored and issues reported to ELT. * Performance monitoring in place. | <ul style="list-style-type: none"> * Please see Appendix A - SR3a & SR3b for updates on this risk. | |
| SR7 | Commercial | Commercial tenants and businesses unable to make payments to the Council | <ul style="list-style-type: none"> * Reduced cash flow. * Increased vacancies following expiring contracts / insolvencies. * Negative impact on budgets. | Executive Head of Communities | 3 | 3 | 9 | <ul style="list-style-type: none"> * Additional government funds available for business support. * Continue to keep close contact with tenants and understand their cashflow issues. * Consider offering short-term rent free periods and deferred payment schemes for previously strong tenants. * Consider the cost benefit of empty rate/refurbishment costs alongside rent considerations if tenants were to vacate. | <ul style="list-style-type: none"> * Risk reviewed by executive lead, no changes for this quarter. * De-escalated from the corporate risk register following executive meeting 09/11/21. | |
| SR8 | Security | Council is subject to a cybersecurity attack | <ul style="list-style-type: none"> * Data breach. * Impact on delivery of services * Reputational damage. | Head of Digital Business Transformation and Democratic Services | 2 | 4 | 8 | <ul style="list-style-type: none"> * Cyber Essentials certification in place. * Council information governance, which includes cyber security elements, is reviewed quarterly and formally assessed annually. * Internal audit of this area complete * Information governance Board in place *The IT Acceptable Use Policy (AUP) updated with relevant guidance and information on cyber security risks *Compulsory training on cyber security scheduled for all staff *Scheduled cyber security exercises *IT staff undertake courses and webinars to keep abreast of emerging trends in cyber security | <ul style="list-style-type: none"> *All staff currently undertaking training - due date mid January. * Risk owner proposes this risk be escalated to the corporate register, following recent cyber security threat. This will be considered by the management team at their next review. | |
| SR9 | Programme | The Tandridge Financial Transformation fails to deliver its objectives | <ul style="list-style-type: none"> * Negative impact on Council's finances and future financial sustainability. * Negative impact on staff morale. * Reputational damage. | Chief Financial Officer & S151 | 2 | 4 | 8 | <ul style="list-style-type: none"> * Programme team, risk register and plan in place. * Robust governance. * Regular reporting. * Communications and engagement covered in project plan. * Clear expectations regarding joint commitments set out in the Joint Working Agreement. | | Yes |
| SR10 | Governance | Lack of robust and up-to-date safeguarding policies and procedures in place | <ul style="list-style-type: none"> * Risk of harm to children and vulnerable people. * Failure of statutory duty. | Head of Customer Engagement & Partnerships | 2 | 4 | 8 | <ul style="list-style-type: none"> * Safeguarding project underway. * Mandatory online training module issued to all staff. * Safeguarding policies in place. * Safeguarding Officer in place. * Multi-agency safeguarding meetings in place. | <ul style="list-style-type: none"> * New safeguarding officers identified across the Council. *Councillor training due to be rolled out in January 22 * Creation of new online reporting form on Salesforce. Currently in test due to be live in January. * Staff awareness briefings to be rolled out in team meetings in February 2022. | Yes |

APPENDIX B - Strategy and Resources Committee Risk Register

| | | | | | | | | | | |
|------|-------------|---|---|---|---|---|---|---|---|-----|
| SR16 | Governance | The Council fails to improve its governance framework in line with internal audit observations and other planned improvements to corporate governance | <ul style="list-style-type: none"> * Unable to deliver on Strategic Plan objective of "Building a Better Council". * Unable to address identified risks associated with the council's internal control environment. * Reputational damage. | Chief Executive | 2 | 4 | 8 | <ul style="list-style-type: none"> * Internal audit action plan in place. * Corporate Improvement Plan in place. * Annual Governance Statement produced annually, which includes high priority governance improvement actions. * Corporate, internal audit and Audit & Scrutiny monitoring of governance action plans in place. * Internal Audit Plan produced annually. | <ul style="list-style-type: none"> * New risk added to the register following ELT meeting 09/11/21. * Internal governance meetings streamlined to improve effectiveness. | Yes |
| SR12 | Legal | Breach of GDPR due to Council business being conducted on personal devices | <ul style="list-style-type: none"> * Reputational damage. | Head of Legal Services & Monitoring Officer | 2 | 3 | 6 | <ul style="list-style-type: none"> * New Homeworker Policy which mandates rules for staff. * Discourage use of Zoom for business. * Confidential material not to be placed in home bins, but shredded in the office. * Staff to close windows when having work calls. * Regular information governance management meetings in place. | <ul style="list-style-type: none"> * This risk will be de-escalated from this register to the Resources operational risk register, as it can be adequately managed at the operational level . | |
| SR13 | Governance | Failure to collect revenue income (e.g. Council Tax, business rates, rental) in-line with our targets | <ul style="list-style-type: none"> * Failure of statutory duty. * Reduced cash flow. | Specialist Services Manager | 1 | 4 | 4 | <ul style="list-style-type: none"> * Established working protocols. * Team resourcing closely monitored and issues reported to Executive Leadership Team * Performance monitoring in place. | <ul style="list-style-type: none"> *As per Quarter 2, figures in Appendix A confirm that we are achieving our targets for collection rates. | |
| SR14 | Operational | Loss of some ICT systems and data due to disaster recovery solution not being in place | <ul style="list-style-type: none"> * Inability to recover IT services if a potential disaster occurred, severely impacting delivery of most Council business * Recovery of IT systems ineffective. * Data loss. | Head of Digital Business Transformation and Democratic Services | 1 | 4 | 4 | <ul style="list-style-type: none"> * Agreed and procured disaster recovery solution. * Close monitoring of progress by ELT and internal audit. * Use of cloud based IT systems and system-level back-ups. * Continuance of overnight back-up tapes. | <ul style="list-style-type: none"> * Risk re-worded to better reflect the risk. Likelihood lowered, as the likelihood of an incident that would render the relevant systems inoperative is unlikely. We have had some slippage in the delivery date, to October, due to supplier delays and internal capacity. However progress continues to be made, as the second site is now being setup. | Yes |
| SR15 | Operational | Failure to maintain and develop ICT systems | <ul style="list-style-type: none"> * ICT systems failure. * Inability to deliver affected core & statutory services. * Financial costs of rectification. * Staff unable to work remotely. | Head of Digital Business Transformation and Democratic Services | 1 | 3 | 3 | <ul style="list-style-type: none"> * Digital Strategy in development, which will set out plans for ongoing maintenance and management of systems. * Cyber Essentials certification. * Business continuity plans in place and being reviewed. * Business analyst team in place to drive IT service developments. | <ul style="list-style-type: none"> * Digital Strategy approved * Audit actions have been established and are being progressed, but are not completed at this time. | |

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| Ref: | Categ ory | Risk cause and event | Risk consequences | Risk Owner | L | I | RAG | Mitigating actions and responsibility *BOLD* = new mitigation | Status Update | Committee Risk Register |
|------|--------------|---|---|-----------------------------------|---|---|-----|--|--|----------------------------|
| P2 | Strategic | Local plan is found unsound by the Inspector | <ul style="list-style-type: none"> * Impact on ability to reject inappropriate planning applications. * Unable to lobby and deliver infrastructure that meets the needs of local residents, public sector partners and businesses for the whole District. * More challenge to develop policies and working with others to support the building of affordable homes. * Inability to meet statutory requirement and risk of statutory intervention. * Unable to review Community Infrastructure Levy. * Additional costs associated with developing a new Plan. * Reputational damage. | Interim Chief Planning Officer | 4 | 4 | 16 | <ul style="list-style-type: none"> * Dialogue maintained with the inspector following receipt of preliminary conclusions. * Continue to assess CIL bids to help support infrastructure delivery where possible. * Members to be made aware of any risks associated with responses / hearing sessions to the Inspector. * Ensure responses to the Inspector are submitted in a timely manner. * Work with statutory bodies where appropriate to ensure no objection. * Maintain and defend the strategy set out in the submitted Our Local Plan. * Consider legal advice appropriately. * Use consultants and experts in their field where appropriate to defend the Council's Local Plan. * Undertake additional evidence and main modifications as required by the Inspector. * Continue to have discussions with the Inspector via the Programme Officer. * Keep members updated. | * Senior officers engaging with the national Chief Planner and briefing councillors. | Planning Policy |
| SR1 | Operational | Lack of resources constrains the Council's "business as usual" capacity | <ul style="list-style-type: none"> * Non-delivery and disruption of statutory and non-statutory services. * Increased staff absence levels and staff turnover. * Reduction in staff resilience. * Council suffers loss or temporary unavailability of key staff | Chief Executive | 4 | 4 | 16 | <ul style="list-style-type: none"> * Executive Leadership Team reviewing operating models and digital transformation options to release capacity where possible. * Finance capacity / resilience being reviewed as part of Finance shared service arrangement with Surrey County Council. * Senior managers proactively support teams to prioritise actions. * Support for staff welfare in place (e.g. mental health first aiders). * Appropriate HR policies in place (e.g. flexible working). | * Future Tandridge Programme being developed - led by the Chief Executive - to address prioritisation, resourcing, resilience and organisational development issues. * Draft Programme to be discussed at Councillor Briefing on 19 January followed by decision to implement at Strategy and Resources on 1 February. | Strategy & Resources |
| P3 | Operational | Lack of capacity in Planning Department negatively impacts performance and delivery of service, such as determining applications in statutory timeframes and managing complaints and FOIs | <ul style="list-style-type: none"> * Inability to provide statutory services to a sufficient standard / quality / timeframe and reporting of poor performance. * Inability to provide non-statutory services which are valued because of prioritisation of providing statutory services. * Negative impact on staff health and wellbeing. * Risk of staff departure due to ongoing uncertainty and no continuity of planning officers, reliance of temps * Potential risks of costs claims, complaints and legal challenges. * Reputational damage. * Increase in complaints and FOIs adding further pressure to officer time required to respond/investigate * Costs claims and time impact of providing a defence; risk of award of costs against the Council | Interim Chief Planning Officer | 4 | 4 | 16 | <ul style="list-style-type: none"> * Peer-review of development management department undertaken by Planning Advisory Service (PAS)) is being implemented through the Planning Transformation process commencing January 2022. * Non-statutory pre-application advice service reinstated to assist with ensuring that submitted applications can be processed more efficiently and effectively. * Local enterprise partnership supporting the Council's Community Infrastructure Levy (CIL) work. * Recruitment of temporary staff. * Maintain cross checking of reports and decision notices. * Maintain specialist (legal, policy and regulatory) input in decision taking. * IT have made changes to internal systems to pull through time sensitive applications. | * Chief and Principle category posts that are vacant are being advertised nationally to attract the widest range of candidates. * Local Validation List for applications being prepared to assist with validation of applications and need for planning officers to seek additional information or changes to applications. | Planning Policy |

APPENDIX C - Corporate Risk Register

| | | | | | | | | | | |
|-----|------------|---|---|--------------------------------|---|---|----|---|--|----------------------|
| SR3 | Financial | Inability of Council to make savings as identified in the Medium Term Financial Strategy and to balance the Council Budget in 2021/22 and 2022/23 | <ul style="list-style-type: none"> * Negative impact on the Council's budget. * Council exhausts reserves to balance the budget. * Reduce services / resources. * Section 114 notice required to be issued by Chief Financial Officer leading to cessation of non-essential spend and essential service provision at minimal level. * Reputational damage. | Chief Financial Officer & S151 | 3 | 4 | 12 | <ul style="list-style-type: none"> * Action plan produced to address recommendations from Grant Thornton review. * Savings trackers used to monitor savings delivery in 2021/22 (reported monthly to the Executive Leadership Team and Members as part of the finance reports). If savings reported are not achieved then the Service will have to find compensating savings from their budget. * Ensuring appropriate use of government issued Covid-19 grants and all COVID costs and income loss are accurately used and reported. * Reserves can be used to support the achievement of savings. However, we have built Reserves as part of the 21/22 budget setting process to provide us with resilience and flexibility over the medium-term where there is significant funding uncertainty. We are only getting to the point over the next year or so where we were at higher Reserves levels a number of years ago. We would look to prioritise those investments by using Reserves which provide a payback (in an invest to save approach). * The HR/Finance Panel (inc. the Chief Executive and Chief Finance Officer) approve all new appointments (permanent and interim) and extensions. * Arbitrary cuts to budgets can be enforced but this is a blunt instrument and better done in a targeted way. | * 22/23 Draft Budget & MTFs was presented to S&R on 2nd Dec and was noted. The report will be updated based on the Provisional Settlement due on 16th December and presented as part of the Final Budget Report to Committees in Jan, to S&R on 1st Feb and FC on 10th Feb. A draft balanced budget has been presented and there is confidence that the a final budget will also be balanced with minimal use of Reserves. The 21/22 position is challenging due to the commercial environment and now that the 20/21 has been approved by S&R on 2nd Dec, monthly Finance Reports on the position will be sent to Members. If we do not end the year in a balanced position, any deficit will need to be taken from Reserves. | Strategy & Resources |
| 6 | Governance | Inability to carry out waste collection service in-line with the performance management framework | <ul style="list-style-type: none"> * Waste left on the street. * Environmental impact. * Poor reputation for Council. * No alternative for residents. | Locality Services Manager | 4 | 3 | 12 | <ul style="list-style-type: none"> * Hierarchy of services has been agreed for when/if there is insufficient staff. * Process in place for Biffa to provide a daily update when staff absent, including the rectification proposals. * Monitoring availability of agency staff. * Surrey Waste Officers Group meet monthly to understand issues across the County and to horizon scan for any upcoming issues based on others experiences. | * Situation is as previously recorded. The hierarchy of services has been reviewed in light of the potential Covid wave and is still fit for purpose. The Surrey Waste Officers meets less frequently now though this may be increased in light of the current situation. | Community Services |
| SR4 | Programme | Resources unavailable to progress climate change action plan in set timescales | <ul style="list-style-type: none"> * Delays to reducing the council's operational carbon emissions as early as possible, and in line with the 2030 ambition. * Negative impact on council's reputation in this area. | Chief Executive | 4 | 3 | 12 | <ul style="list-style-type: none"> * Red due to resources remaining strained and causing delays to AP actions. * Reporting lines for Programme established – inc. to ELT. * Regular comms between PMO and delivery officers. * Agree to tolerate residual risk as programme is not one of the Council's critical / statutory services. | * New risk added to the register 12/10/21 at executive leadership team meeting. * Council's role and subsequent resourcing requirements to be reviewed through Strategic Plan refresh. | Strategy & Resources |
| SR5 | Governance | Senior management vacancies inhibit corporate performance and improvement | <ul style="list-style-type: none"> * Negative impact on corporate performance * Impact on corporate governance * Limit progress on internal audit and corporate improvement work * Increase corporate instability * Increase staff anxiety with lack of / unclear strategic direction | Chief Executive | 3 | 3 | 9 | <ul style="list-style-type: none"> * Chief Executive progressing recruitment to vacant Chief Planning Officer post, and assessing most appropriate solution to replace the Executive Head of Corporate Resources who will leave the Council at the end of July 21. | * Senior management restructure being considered in the new year to address current vacancies and work towards transforming Tandridge. * ELT/SLT now working more closely together on corporate priorities. | Strategy & Resources |
| P17 | Programme | The Planning Transformation fails to deliver its objectives within set timescales | <ul style="list-style-type: none"> * Unable to address several red development management risks. * Poor customer services. * Increased costs if temporary staff are required for longer than expected, and unsound council decisions on applications are made and then overruled by planning inspectorate. * Unable to accurately report on the performance of the service. * Potential failure of statutory duty. | Interim Chief Planning Officer | 2 | 4 | 8 | <ul style="list-style-type: none"> * Project reporting to Planning DLT provides clear route to escalation of issues. * Interim Chief Planning Officer in Place. * Project resource in place. * Staff consultation on Planning Transformation undertaken. * Roll-out of Planning Transformation from 04 January, 2020. | * Business case for additional staffing and re-structure approved at Planning Policy Committee on 25th November. New structure will go live on 4th January 2022. Until key vacant posts are filled on a permanent basis the service is at risk. Temporary staff contracts need to be extended to cover off key posts if we fail to recruit permanent staff in the new year. | Planning Policy |

APPENDIX C - Corporate Risk Register

| | | | | | | | | | | |
|------|-------------|---|---|---|---|---|---|---|---|----------------------|
| SR10 | Governance | Lack of robust and up-to-date safeguarding policies and procedures in place | <ul style="list-style-type: none"> * Risk of harm to children and vulnerable people. * Failure of statutory duty. | Head of Customer Engagement and Partnerships | 2 | 4 | 8 | <ul style="list-style-type: none"> * Safeguarding project underway. * Mandatory online training module issued to all staff. * Safeguarding policies in place. * Safeguarding Officer in place. * Multi-agency safeguarding meetings in place. | <ul style="list-style-type: none"> * New safeguarding officers identified across the Council. * Councillor training due to be rolled out in January 2022. * Creation of new online reporting form on Salesforce. Currently in test due to be live in January. * Staff awareness briefings to be rolled out in team meetings in February 2022. | Strategy & Resources |
| SR9 | Programme | The Tandridge Financial Transformation fails to deliver its objectives | <ul style="list-style-type: none"> * Negative impact on Council's finances and future financial sustainability. * Negative impact on staff morale. * Reputational damage. | Chief Financial Officer & S151 | 2 | 4 | 8 | <ul style="list-style-type: none"> * Programme team, risk register and plan in place. * Robust governance. * Regular reporting. * Communications and engagement covered in project plan. * Clear expectations regarding joint commitments set out in the Joint Working Agreement. | <ul style="list-style-type: none"> * An update on the TFT is included in the agenda for Strategy & Resources Committee on 11 Jan 2021. | Strategy & Resources |
| SR16 | Governance | The Council fails to improve its governance framework in line with internal audit observations and other planned improvements to corporate governance | <ul style="list-style-type: none"> * Unable to deliver on Strategic Plan objective of "Building a Better Council". * Unable to address identified risks associated with the council's internal control environment. * Reputational damage. | Chief Executive | 2 | 4 | 8 | <ul style="list-style-type: none"> * Internal audit action plan in place. * Corporate Improvement Plan in place. * Annual Governance Statement produced annually, which includes high priority governance improvement actions. * Corporate, internal audit and Audit & Scrutiny monitoring of governance action plans in place. * Internal Audit Plan produced annually. | <ul style="list-style-type: none"> * New risk added to the register following ELT meeting 09/11/21. * Internal governance meetings streamlined to improve effectiveness. | Strategy & Resources |
| SR14 | Operational | Loss of some ICT systems and data due to disaster recovery solution not being in place | <ul style="list-style-type: none"> * Inability to recover IT services if a potential disaster occurred, severely impacting delivery of most Council business * Recovery of IT systems ineffective. * Data loss. | Head of Digital Business Transformation and Democratic Services | 1 | 4 | 4 | <ul style="list-style-type: none"> * Agreed and procured disaster recovery solution. * Close monitoring of progress by ELT and internal audit. * Use of cloud based IT systems and system-level back-ups. * Continuance of overnight back-up tapes. | <ul style="list-style-type: none"> * Risk re-worded to better reflect the risk. Likelihood lowered, as the likelihood of an incident that would render the relevant systems inoperative is unlikely. We have had some slippage in the delivery date, to October, due to supplier delays and internal capacity. However progress continues to be made, as the second site is now being setup. | Strategy & Resources |

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Wellbeing Prescription Service contract extension

Strategy & Resources Committee Tuesday 11 January 2022

Report of: Julie Porter

Purpose: To update Members on the delivery of the Wellbeing Prescription service and set out the plans for the future of the service.

Publication status: Unrestricted

Wards affected: All

Executive summary:

The Wellbeing Prescription Service ('WPS') is an East Surrey 'Integrated Care Provider' ('ICP') funded social prescribing service operated by the Council, in partnership with Reigate & Banstead Borough Council.

The WPS has been in operation since January 2015 and has grown considerably during that time. The current contract with the ICP was for three years from April 2018 to March 2021, with the option to extend for a further two years to March 2023.

A detailed report about the WPS was considered by the Housing Committee on the 12th March 2020, including examples of positive feedback about the quality of the service and the prospects of the contract being extended for a further two years from April 2021.

This report provides an update about the service and highlights the benefits for local residents along with opportunities for developing the service in the future.

This report supports the Council's priority of: Building a better Council

Contact officer Julie Porter Head of Customer Engagement and Partnership
JPorter@tandridge.gov.uk

Recommendations to Committee:

That:

- A. the current two-year extension of the existing contract with the NHS East Surrey Integrated Care Provider until the 31st March 2023 be endorsed;
- B. the future work of the Wellbeing Prescription Service be supported and proposals be developed for a new contract in 2023, including cost implications, risks, funding options, and a memorandum of understanding to be agreed between partners and
- C. a report on the outcome of B above be submitted to a future meeting of this Committee.

Reason for recommendation:

The continued delivery of the Wellbeing Prescription Service supports the Council's strategic priority of building a better Council. The service is one of the most direct examples of how the Council positively influences the health and wellbeing of residents across the District.

Introduction and background

1. The Wellbeing Prescription Service is an exciting and innovative social prescribing service which allows GPs and other local services to refer residents to a trained Wellbeing Advisor who can help them improve their health and wellbeing. Residents living in East Surrey can also self-refer to the service.
2. The Wellbeing Advisor meets with clients for up to an hour to discuss their needs, providing expert advice, encouraging behavioral change and signposting to local or national services.
3. This might include services that help the client get active, lose weight, meet new people, stay mobile and prevent falls, maintain independent living or improve their emotional wellbeing.
4. On average, clients are offered three appointments with an advisor, with a variety of appointment types; face to face at home, in a GP practice or public setting, via video or phone and group workshops.
5. The service continues to develop alongside the local Integrated Care Provider ('ICP') as social prescribing gathers momentum nationally following the NHS long term plan launched in January 2019.

6. The service was established following discussions between several health and care providers including GPs, hospitals, social housing, mental health, community care and social care about the need to address an increased demand for services by clients who had multiple health and lifestyle needs which couldn't be addressed by a single agency.
7. Since its launch in January 2015, Wellbeing Prescription has steadily expanded and is now offered to patients registered to all 18 East Surrey ICP GP surgeries, including all Tandridge GP surgeries.
8. In 2018, the Council entered into a contract with the Integrated Care Provider ('ICP') for a three year plus two-year contract, running from April 2018 to March 2021, with the option to extend for a further two years to 31st March 2023.
9. In April 2021, an independent evaluation was carried out by a leading social prescribing academic and her team. It involved interviewing clients and stakeholders and collecting data about the service. The conclusions of the report were very positive and concluded that the service was supporting four key aims of the Surrey Health and Wellbeing Strategy, that the service provision was much wider than the initial remit (including supporting people with housing and homelessness, education and employment, carers' needs and benefits payments) and showed statistically significant improvements and a reduction in GP visits.
10. The Council expressed its interest in continuing to provide the Wellbeing Prescription service for an additional two years. Members may recall that it was agreed at Housing Committee on the 12th March 2020 that a proposal document would be submitted to the ICP. On-going budgetary provision for the service was also agreed as part of the 2021/22 General Fund budget and subsequently ratified by Full Council in February 2021.
11. Due to the Covid pandemic, the contract variation process was delayed and it was not possible to sign the necessary variation agreement (reflecting the extended timeline and other incidental matters) before the start of the two year extension. However, a letter from the ICP was received confirming the arrangement that enabled the Council to continue to operate the service past March 2021 and sign an agreement with the social prescribing software supplier to maintain the licence and continue to have use of the system.

Performance and Monitoring

12. In the year 2020/21 the service received over 1,300 referrals, with that figure set to significantly increase during 2021/22. 655 new referrals were received during the 2021/22 Quarter 1 period alone and 686 in Quarter 2.

13. The most common reason for referral was weight management/eating well (55.6%) followed by support for emotional wellbeing (39.1%). The majority of respondents were 45-64 years old.
14. The majority of appointments were by telephone (75.7%), followed by home visits (13.3%) and digital/online (6.1%).
15. The most frequently used prescription is 'wellbeing Advisor Advice', which refers to a client appointment where the Advisor's advice has been central and where signposting may not have been felt necessary. The next most popular are lifestyle related resources, such as British Heart Foundation and NHS Live Well. Some clients require multiple prescriptions and a referral to a local service, such as DHC talking therapies, Action for Carers and Adult Social Care.
16. All referrals are responded to within 5 working days, with clients opting for a video or telephone appointment predominantly offered with a first appointment within 2 weeks. Clients requiring a home visit are also provided with a first appointment within 4 weeks, however to mitigate the increased waiting time for home visits, two additional staff have been trained to complete home visits.

Feedback & Case studies

17. In July 2021 a new customer satisfaction questionnaire was designed. Two questionnaires have been created, one is disseminated to clients who have just one appointment or those unable to answer long questionnaires. A second longer questionnaire is shared with clients that have completed their final follow up appointment. The survey can be completed electronically on any device and if this isn't possible, such as for house bound clients, a paper version will be left with the client with a prepaid envelope.
18. In quarter two, 98 responses were received from clients, 80% scored the service 9 out of 10 on the promoter score.
19. Some recent client and stakeholder feedback included the following comments:

Client satisfaction "It's a very motivational service. Having a regular appointment made me focus more on what I needed to do and my advisor was first rate, really informative and knew her stuff. It is really great to have a service which offers support and advice for things you don't want to bother the doctor about. I can't recommend the service enough, it should be expanded and much more widely used as it will help the NHS in the long run" (client).

"My appointment with my well-being advisor was very positive. She was informative and knew how to help to achieve my goals"

" The wellbeing advisor was extremely helpful, warm and empathetic and really worked hard to come up with as many suitable solutions as possible..."

“To have this resource available is excellent and I am sure will be of great use to others as much as it has been to me. Many thanks”

“A supportive, knowledgeable and very personable consultant. Excellent”
“...everything was very kind, smooth, reassuring and helpful”

“My Advisor was very friendly and made me feel at ease when talking through all options. She listened to me and made me feel she cared which is hard to find in many people these days”

GP Practice Manager

“...I just wanted to say that, you know, I’ve seen such amazing outcomes for people over the last five years and some people’s lives have completely changed because of it [Wellbeing Prescription Service]. So, I’m really quite convinced that, it’s something that I think needs to stay around for people. Because it just fills that gap. It’s got to be tailored to everyone’s individual circumstances. Anecdotally I know a lot of people that have been really, really helped by it.” GP Practice Manager

Resource and funding

20. The team consists of a manager, two team leaders and 10 advisors (some are part-time) and is overseen by the Head of Customer Engagement and Partnerships. All direct costs of the service, including staffing, equipment, training and specialist software is covered by the ICP’s external funding.
21. The current contract includes a severance cost of £75,000,pa. The contract has to bear any incremental uplifts eg: inflation and social national insurance costs. If the contract was not extended past 31/3/23 for any reason, the Council can apply the surplus funds for cessation costs e.g redundancies and minimizing any risk to the Council
22. The current contract states that the Council would act as the “employing authority” and provides in-kind HR and Payroll support along with office space and back office support. This in-kind support is provided within existing resource and includes Human Resources, Leadership team, Information technology, financial services, office services and secondary pension. These costs are apportioned at 3.8% of the Councils FTE support costs. (Approx £85,000 pa)
23. East Surrey ICP GP practices have also given in-kind support by providing space at surgeries for the Wellbeing advisors to meet with clients and administrative support in booking appointments.
24. An MOU is currently in place which sets out clear responsibilities for partners in respect of funding, costs, in-kind support, management, monitoring and any legal or HR issues and risks. This arrangement is similar to that of the South East Surrey Family Support Programme.

Well-Being Prescription Service – Looking forward

25. The key project for the WPS management for 2022/23 will be to put forward a proposal to continue to run the service past 31st March 2023. It is clear from both the external evaluations and from partners that the service positively influences the health and wellbeing of residents across Tandridge and Reigate and Banstead - the East Surrey ICP's catchment area.
26. The funding will need to be reviewed and incorporate a more commercial approach for the in-kind support costs to limit the pressures on this Council. Discussions will need to take place with the ICP and Surrey County Council to explore further funding from central government via the Better Care Fund.
27. The risks need to be assessed in terms of withdrawing the service such as:
 - financial costs to terminate the contract
 - reputational, withdrawing a service from residents and our partner agencies without consultation
 - costs associated with premature staff redundancies and impact on their own health and wellbeing
 - negative impact on residents' health and wellbeing who currently use the service – or will potentially use the service over next few years.
28. The service is a partnership service with established partnerships networks which means it can deliver services in an integrated, transparent and low-cost way.
29. It has a good track record of improving the wellbeing of residents, linking up local services and reducing pressures on GP's.
30. The Council would not want to cut a service without fully understanding the implications of doing so. The exercise of carrying out an external evaluation gave assurance that the service is a good and valued service.

Key implications

Comments of the Chief Finance Officer

It is understood that the contract is having good results for the clients and ICP. It has become well established. The direct costs are well defined and are well within the contract value. With a maturing contract, there would be further decisions to be made to ensure its stability and understanding the true cost the contract has on, not only the Council, but the ICP.

It should be noted that if the service provision changed to the Council having the service as a tenant and the ICP operated the service, the service would cost the ICP more than the current contract with the Council.

If for some unknown reason the ICP would like to withdraw from the service, the Council would be a neutral position if cessation costs were required. The Council needs to recognise that in the current financial climate the “in kind” cost need to be understood. For future contract discussions a mature costing and pricing structure needs to be acknowledged. Possibly highlighting volumes of clients and the step changes to optimise economies of scale.

Comments of the Head of Legal Services

The Health and Social Care Act 2012 (“the Act”) introduced changes by way of a series of amendments to the National Health Service Act 2006. The Act gives local authorities a duty to take such steps as it considers appropriate to improve the health of the people in its area. In general terms, the Act confers on local authorities the function of improving public health and gives local authorities considerable scope to determine what actions it will take in pursuit of that general function.

The services set out in this report ensures that residents have access to the information and support they require to achieve optimum health. Such a service does appear to work best when all local partners work together to build on existing assets and services.

To withdraw from the Well-being Prescription Service at this stage, would mean that the Council may be required to pay back the grant funding. Clearly, any new arrangement to renew the service will need to be agreed by Members and be subject to confirmation that it will be cost neutral to the Council and there will be no financial burden on the Council’s general fund.

Equality

The proposals within this report demonstrate a fully inclusive approach in that the service is accessible to all and addresses the needs of the more vulnerable members of the community.

Climate change

This report contains no proposals that would negatively impact the Council's climate change ambitions.

Appendices

None

Background papers

None

----- end of report -----

Rental Grant Subsidy Applications

Strategy & Resources Committee Tuesday, 11 January 2022

Report of: Executive Head of Communities

Purpose: For decision

Publication status: Open

Wards affected: Caterham Valley/Harestone, Queens Park, Warlingham

Executive summary:

- A number of the Council's assets are currently let at less than market value reflecting the wider value that their use brings to the community.
 - A Rental Grant Subsidy policy was adopted by the Council in 2015. This policy aimed to provide greater transparency regarding the extent to which the Council subsidises tenant organisations.
 - This report considers Rental Grant Subsidy applications from three tenant organisations, the East Surrey Museum, The Caterham Community Centre and the Warlingham Sports Association.
 - The Committee should consider the applications and determine whether a rental grant subsidy should be awarded, and if so, the amount of rental grant subsidy.
-

This report supports the Council's priorities of:

Building a better Council

Creating the homes, infrastructure and environment we need

Supporting economic recovery in Tandridge

Contact officer Kate Haacke Asset Management Specialist
KHaacke@tandridge.gov.uk –

Recommendations to Committee:

That:

- A. a rental grant subsidy of 100% in years 1 to 3, approximately 90% in year 4 and approximately 80% in year 5 should be awarded to East Surrey Museum, subject to the conditions set out in this report
- B. a rental grant subsidy of 95% be awarded to Caterham Community Centre, subject to the conditions set out in this report
- C. a rental grant subsidy of 30% be awarded to Warlingham Sports Association, subject to the conditions set out in this report

Reason for recommendation:

The Council's Strategic Plan acknowledges the importance of local voluntary and community organisations in supporting strong and healthy local communities. It also acknowledges the need to tackle significant financial challenges. The scale of the financial challenge is significant, and it is therefore crucial that applications for subsidies are considered very carefully, so that subsidies are given to those community organisations that bring greatest value to communities, and that assets are revenue raising where organisations do not demonstrate wider community value.

The policy guides the Council to consider whether an organisation can demonstrate that it brings significant benefits to a community, and whether or not these benefits could still be realised without the rent subsidy. Consideration must also be given to any other costs in connection with the asset, and whether these are being met by the Council as landlord, or the tenant.

Introduction and background

1. Section 123 of the Local Government Act 1972 requires the Council to obtain best consideration in the disposal of its land (which generally means obtaining market value). The term "disposal" includes the grant of a lease for a term of over seven years.
2. The Council can however grant a lease of more than seven years at an undervalue (ie. below market value), if it can demonstrate that the arrangement contributes to the improvement of the social, economic or environmental well-being of the area, or the community.
3. Several Council assets are currently let at less than market value reflecting the wider value that their use brings to the community.

4. When considering the extent to which these applications align with the Council's Strategic Plan, it is evident that there may be conflicting priorities. Priority Outcome 1.5 of the Plan states:

"the Council shall look for opportunities to support better health and wellbeing for local residents"

and specifically

"Work with the Voluntary, Community and Faith Sectors (VCFS) to develop proposals to support community resilience in the face of a crisis, building on work during the COVID pandemic"

"Maximise wellbeing and opportunities for young people through development of a Youth Strategy in partnership with health and employment partners"

5. However, Priority Outcome 1.1 is about agreeing and implementing the financial recovery plan, and states that we should

"Explore commercial opportunities within the district"

Rental Grant Subsidy Policy

6. A Rental Grant Subsidy policy was adopted by the Council in 2015 (see Appendix A) which aimed to provide greater transparency regarding the extent to which the Council subsidises community groups. The policy was intended for use at lease expiry and rent review dates. The most recent application considered by the Council was with respect to the application for rental grant subsidy by the Caterham Bowling Club in September 2018. At that time the Council agreed a 100% rent subsidy, however the Committee noted that the Bowling Club would be paying the high maintenance costs associated with the bowling green.

Grant Subsidy Applications

7. This report provides information on three applications for rental grant subsidies, following the expiry of their leases. The applications are from the East Surrey Museum, Caterham Community Association and the pavilion at Hamsey Green, occupied by Warlingham Sports Association. Officers found no existing scoring mechanism for applications and have devised a scoring matrix to help assess the applications. The scoring matrix is provided in Appendix B.

8. Income and expenditure associated with the East Surrey Museum is part of the Housing Revenue Account (HRA) budget, as the building sits within the HRA portfolio. Income and expenditure associated with the Caterham Community Association Hall and the pavilion at Hamsey Green is part of the General Fund. The impact on these budgets will be marginally positive if the recommendations are approved.

East Surrey Museum

9. The East Surrey Museum is one of over 40 museums, galleries and heritage sites in Surrey. It is run entirely by volunteers. Entry to the museum is free. It has a small gift shop.
10. The museum currently occupies a prominent location in Caterham Valley town centre, at the intersection of Stafford Road with Church Hill/Station Avenue. The brick-built building, which dates from approximately late 19th Century/early 20th Century is not listed but is well-loved for its historical character. The museum occupies the ground floor of the building only. The first floor is used as temporary accommodation for families and is one of very few three-bedroom homes available for temporary accommodation in the district. The museum has expressed an interest in expanding into the first floor of the property, however due to the current shortage of larger temporary accommodation at present, this is not something that Housing Officers were willing to contemplate at this time. This will be kept under review.
11. The museum has held a five-year lease from 2017 paying £0 per annum in rent (against the 2017 rent assessment of £14,244). The museum is responsible for all business rates that are levied on the premises and payment of utility bills. They are also responsible for internal repairs and decoration, whereas the Council are responsible for external repair and decoration. The existing gas boiler and heating controls are at the end of the life and will soon need to be replaced and upgraded to be compliant with part L of the building regulations. The cost of upgrading the heating system is estimated to be £10,000-£15,000.
12. The Council have paid annually, on behalf of the Museum, for their subscription to the Surrey Museums Consultative Committee ('SMCC'). The annual subscription cost has been £2,987 since 2015/16. The SMCC reportedly promotes Surrey museums through a website, helps to publicise the smaller museums such as East Surrey Museum, offers help and advice to museums such as collections management, conservation, grant application etc. Membership of the SMCC also provides the East Surrey Museum with networking opportunities to share ideas, resources, exhibits and learning. The curator of the East Surrey Museum reports that the SMCC has been very useful, particularly during the pandemic. Officers understand that membership of the SMCC may also give the East Surrey Museum access to grant aid from various sources, including the National Lottery.

13. In addition to paying the SMCC subscription, the Council have also paid an annual revenue grant to the East Surrey Museum. The 20/21 grant allocation was £4,400.
14. The General Fund has paid the HRA a notional rent, based on social/affordable housing rent for the period that the museum has been in occupation of the property. The appropriate figure for 2022/23, taken on current year figures, would be £10,897.
15. The market rent is believed to be higher. Officers have assessed the market rent of the premises at a guide of £14,400 p.a. This assessment was supported by comparable evidence from both the private residential market and the commercial market. The museum has requested a 100% rent subsidy. Officers have scored the museum's rental grant subsidy application (Appendix C) at 15 out of a possible total of 28 (see Appendix D). Our recommendation is as follows:
16. That the museum be granted a 100% rent subsidy in years 1 to 3, with a smaller subsidy in years 4 & 5, and a rent review in year 5 and subject to the following conditions:
 1. That the museum take responsibility for replacing the boiler and heating controls, and ensuing compliance with Part L of the building regulations
 2. That the museum takes steps to improve the energy performance of the building, thus achieving greater alignment with Priority Outcome 4 (Becoming a Greener and more sustainable District).
 3. That the museum seeks grant funding from non-Council sources and/or fundraises to achieve conditions 1 & 2.
17. The museum has cited the lack of security of tenure as a barrier to securing grant funding. Typically, funding bodies will require a term certain of 10 to 15 years. However, the museum only requested a five-year lease. To mitigate against inability to secure grant funding due to lack of security of tenure, Officers recommend the following:
 - that the tenant is granted a 15-year lease, with a stepped rent of £1500 from the 3rd anniversary, £3000 from the 4th anniversary and rent reviews in year 5 and year 10, and a tenant option to break the lease on or after each review date;
 - that the lease should continue to be excluded from the security of tenure provisions of the '1954 L&T Act, to give the Council the flexibility that it needs, should circumstances be different at the end of the lease;
 - that the Museum prepare a detailed Business Case setting out its vision for improving and modernising the museum and providing detailed plans showing how it intends to deliver its vision.

18. This recommendation would have no immediate impact on the Council's revenue budget and would reduce the need for capital to deal with boiler replacement and heating upgrades. The longer lease would give the museum the length of term that it requires to seek alternative funding for capital improvements. The capital improvements would help to reduce ongoing expenditure on heating and lighting and reduce energy consumption and carbon emissions.

Caterham Community Association

19. The Caterham Community Association is a registered charity that provides a community centre for residents of Caterham and District to have a place to attend various clubs and classes on a regular or casual basis. It is also used for educational purposes by a school and by members of the community for family gatherings and celebrations.
20. The community centre is located in the heart of Caterham on the Hill, occupying a large plot on the High Street. It is a single storey building dating from approximately the 1960s. It contains a main hall, a stage, an ancillary kitchen, WCs, a small hall and a smaller room at the back. Timetables show that the regular hires of the main hall are predominantly for dance, drama, gym and cheerleading activities, whereas the small hall is predominantly used for music lessons and art & craft activities.
21. The Community Association holds a five-year lease from 2016 paying a small percentage (£166 increasing each year by RPI) of the yearly rent (then estimated at a surprisingly low £3,327). The Community Association takes full responsibility for the repair and maintenance of the building, any rates or taxes and utilities. It therefore costs the Council nothing except the opportunity cost of a market rent or development opportunity.
22. Officers have assessed the market rent of the premises at a guide of £16,100 p.a. This assessment was supported by comparable evidence from the commercial market including the nearby Westway CIC, which was recently valued by external valuers. The Community Association has requested a 98.5% rent subsidy. Officers have scored the Community Association's rental grant subsidy application at 18 out of a possible total of 28 (see Appendix G). Our recommendation is as follows:
23. Caterham Community Association be awarded a 95% rental grant subsidy on the condition that:
 1. *That the Association continues to be responsible for the repair and maintenance of the building and grounds, in full;*
 2. *That the Association take steps to improve the energy performance of the building, thus achieving greater alignment with Priority Outcome 4 (Becoming a Greener and more sustainable District);*

3. *That the Association seeks grant funding from non-Council sources and/or undertakes fundraising to achieve the above.*
24. The Community Association initially requested a five-year lease, however has since realised that the lack of security of tenure could be a barrier to securing grant funding. To mitigate against inability to secure grant funding due to lack of security of tenure, Officers have amended Heads of Terms to a 15-year lease, with a rent review in year 5 and year 10 and requested receipt of a detailed Business Plan that sets out the Association's vision and a delivery plan for the vision. The lease will continue to be excluded from the security of tenure provisions of the 1954 L&T Act, to give the Council the flexibility that it needs, should circumstances change during the lease term.
25. This recommendation would mean a net increase in income to the general fund of a few hundred pounds each year. The Community Association generates an annual income of over £20,000 and should not find a rent of £805 per annum too onerous. The Community Association also has several thousand pounds of financial reserves and scope to increase its hire rates slightly.

Warlingham Sports Association – Pavilion at Hamsey Green

26. The Warlingham Sports Association, in its current guise, has existed since the 1930s. The club offers cricket, football, tennis and squash/racketball. The club's main facilities are next to All Saints Church off Church Road. However, the club has leased the grounds and pavilion at Verdayne Gardens in Hamsey Green for many years, as an additional facility to accommodate demand. The club uses the facilities at Hamsey Green to provide football and cricket facilities for both matches and training. The club's objective is to provide sporting facilities to the local community at a reasonable cost so as not to restrict participation.
27. The Sports Association hold a five-year lease from 2016 paying a percentage (equating to £4,267) of the yearly rent (assessed in 2016 at £9,482). They are one of the only sports associations leasing premises from the Council who pay a rent. However, unlike other sports associations who lease premises from the Council, they don't pay a maintenance contribution. The Council maintain the grounds to recreational standard (grass cutting every other week from March to November, trimming hedges, clearing ditches, maintaining car parks and access tracks etc). Any pitch maintenance over and above recreational standard e.g. for a cricket green, is carried out by the Club. Responsibility for repair and maintenance of the pavilion is currently split between the Council and the Club. Revenue costs incurred by the Council include ongoing costs for statutory compliance e.g. fire risk assessments, electrical inspections, legionella testing, as well as external repairs due to wear and tear/age/vandalism.

28. The club is willing to take on responsibility for statutory compliance if the lease is renewed. The club already undertakes statutory compliance on its main premise off Church road and is confident in its ability to take on this responsibility. This will reduce the Council's revenue costs by several hundred pounds per year.
29. Officers have assessed the market rent of the premises at a guide of £6,100 p.a. This assessment was supported by comparable evidence. The Club has requested a 100% rent subsidy. Officers have scored the club's rental grant subsidy application at 15 out of a possible total of 28 (see Appendix J). Our recommendation is as follows:
30. That the Warlingham Sports Association be awarded a 30% rental grant subsidy on the condition that:

The Association takes a new lease in which it accepts responsibility for all internal repairs and maintenance and statutory compliance at the pavilion.
31. Heads of terms for a new five-year lease have been agreed, subject to the outcome of the application for rental grant subsidy.
32. This recommendation would mean income to the general fund stays the same, and costs decrease slightly as result of the sports association taking over all internal repair and statutory compliance obligations. The club would be able to continue using the pavilion at Verdayne Gardens to support its sporting activities, which have significant health & wellbeing benefits for residents.

Summary

33. The table below provides a summary of recommendations. The impact on the Council's revenue budgets will be marginally positive.

| Organisation | Old Rent per Lease | Rent Currently Paid | Guide Market Rent | Subsidy Requested | Recommendation |
|--------------------------------|--------------------|---------------------|-------------------|--------------------|---|
| East Surrey Museum | £14,244 | Nil | £14,400 | 100% (£14,400) | Award 100% subsidy in years 1 to 3, approximately 90% subsidy in year 4 and approximately 80% subsidy in year 5, with conditions – see section 2 above. Tenant to pay £1500 from year 3 and £3,000 from year 4. |
| Caterham Community Association | £3,327 | £166 | £16,100 | 98.5% (£15,858.50) | Award a 95% subsidy (£15,295) with conditions – see section 3 above. Tenant to pay £805 p.a. |
| Warlingham Sports Association | £9,482 | £4,267 | £6,100 | 100% (£6,100) | Award a 30% subsidy with conditions – see section 4 above. Tenant to pay £4,270 p.a |

Key implications

Comments of the Chief Finance Officer

The financial implications of the report to the General Fund are a few hundred pounds of increased income for the revenue account and no capital implications. The leases are intended to mitigate the Council's costs and liabilities. It should be noted that in future years when the stepped lease arrangement starts the council will receive further income from the East Surrey Museum.

Comments of the Head of Legal Services

The report tries to balance the concept of best value under s123 of the Local Government Act 1972 recognising with the need and basis to provide rent subsidy via a definitive application process. The process modelling is intended to obviate accusations of unfair subsidies being provided from public funds and ensure a transparent auditable system of rents to be charged. It also avoids potential challenges regarding fairness and equality of the assessment process and subsequent outcomes.

If Members choose to charge rents at market value or reduce any rent subsidy there will be implications for the organisations involved, in terms of the level of support services they can provide and might result in the organisations ceasing to operate with the Council incurring additional cost from taking back the assets or from residents no longer receiving support.

Equality

Community organisations play a key role in supporting equality of opportunity and supporting groups with protected characteristics. The applications for rental grant subsidy should be considered in this context.

The East Surrey Museum is located in a town centre, very close to the train station and bus stops. Its facilities include ramped access and an accessible WC. Entry to the museum is free and anyone can visit (membership not required). In addition, museum volunteers take museum exhibits to schools and care homes. The proposals in this report will enable the museum to continue to operate without impacting accessibility of the museum to the wider community.

The Caterham Community Centre is located on Caterham on the Hill High street, close to bus stops. There is a ramped access and an accessible WC. The Community Association is available to hire by anyone regardless of gender, age, faith or other characteristic. The proposals in this report will enable the centre to continue to operate without impacting accessibility of the centre to the wider community.

The Warlingham Sports Association run sports and activities for a range of age groups including children, youth, adults and seniors. They report to be a club that supports diversity and is for everyone regardless of faith or gender.

Climate change

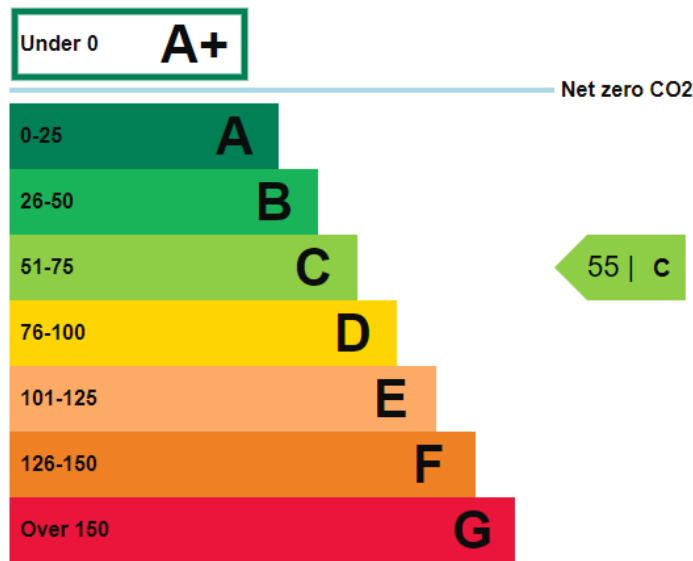
In accordance with the Minimum Energy Efficiency Standards (MEES) any property with an Energy Performance Certificate (EPC) rating below E will be deemed sub-standard. At present it is an offence to grant, extend or renew a lease of a commercial property with an EPC rating of below E. From 1 April 2023 it will become an offence to continue to let a commercial property with an EPC rating of below E.

Officers arranged for EPC assessments to be undertaken on all three properties.

| Property | Rating | Recommendations – short payback period* | Recommendations – medium & long payback period* |
|---------------------------|---------------|---|--|
| East Surrey Museum | C (55) | Replace T8 lamps with retrofit T5 conversion kits; introduce heating controls | Replace heating boiler plant with a condensing type; improve wall and roof insulation and glazing |
| Caterham Community Centre | D (94) | Solar control measures to windows; replace T8 lamps with retrofit T5 conversion kits | Introduce cavity wall, loft and solid wall insulation, introduce heating system controls, consider secondary glazing |
| Hamsey Green Pavilion | D (76) | Add time control to heating system, replace T8 lamps with T5 conversion kits, install secondary glazing | Install an air source or ground source heat pump; replace; improve glazing/frames, introduce HF ballasts for fluorescent tubes |

*These are not complete lists of the recommendations, but examples of the items listed

Table for reference only



Properties are given a rating from A+ (most efficient) to G (least efficient).

Properties are also given a score. The larger the number, the more carbon dioxide (CO2) your property is likely to emit.

Appendices

Appendix 'A' - 2015 RSG Policy - Rent Review/Lease Renewal Methodology

Appendix 'B' - Scoring Matrix

Appendix 'C' - East Surrey Museum - Application form for RSG

Appendix 'D' - East Surrey Museum matrix score

Appendix 'E' - Caterham Community Centre - Application form for RSG

Appendix 'F' - Caterham Community Centre - supporting documents

Appendix 'G' - Caterham Community Association matrix score

Appendix 'H' - Warlingham Sports Association - Application form for RSG

Appendix 'I' - Warlingham Sports Association - supporting documents

Appendix 'J' - Warlingham Sports Association matrix score

Background papers

None

----- end of report -----

Rent Review Methodology

1. Where leases are currently being held over, or due for renewal, an exercise will be carried out, based on the criteria set out in the asset management strategy, to ascertain whether the Council wishes to continue with the existing arrangements. If not, then a report will be brought to Committee with recommendations as to alternative use or disposal, as the case may be.
2. If the proposal is that the premises should continue to be let to the current tenant, then a decision needs to be made as to the level of rent to be charged. The presumption is that the face of the lease will reflect the market value based on the current use permitted by the lease but the organisation will be given the opportunity to apply for a rent subsidy grant.
3. It will be important that there is a clear process for considering such applications and it is proposed that this Committee establish a Sub-Committee to consider those applications.
4. The considerations to be taken into account by the Sub-Committee are set out below:

a. Core Purpose of the Organisation

Does the core purpose of the organisation align with one or more of the Council's key priorities?

b. Membership/Participation/Community use

How accessible is the service in term of opening hours and physical access?

Are membership fees affordable?

Are concessionary rates offered?

How well is the service used by the community?

Are diverse groups encouraged?

Are customers/users mainly from within the District?

Are facilities available to those other than members/regular users?

Does the organisation encourage involvement for all of the community?

Is training/skill development available for non-members?

c. Funding/Financing

How sound is the organisation's finances? (this will require reference to its accounts)

Has the organisation applied for funding elsewhere?

What scope is there for the organisation to increase charges for its services?

What scope is there for the organisation to carry out commercial activity on the premises?

d. What would the consequences be of not providing assistance?

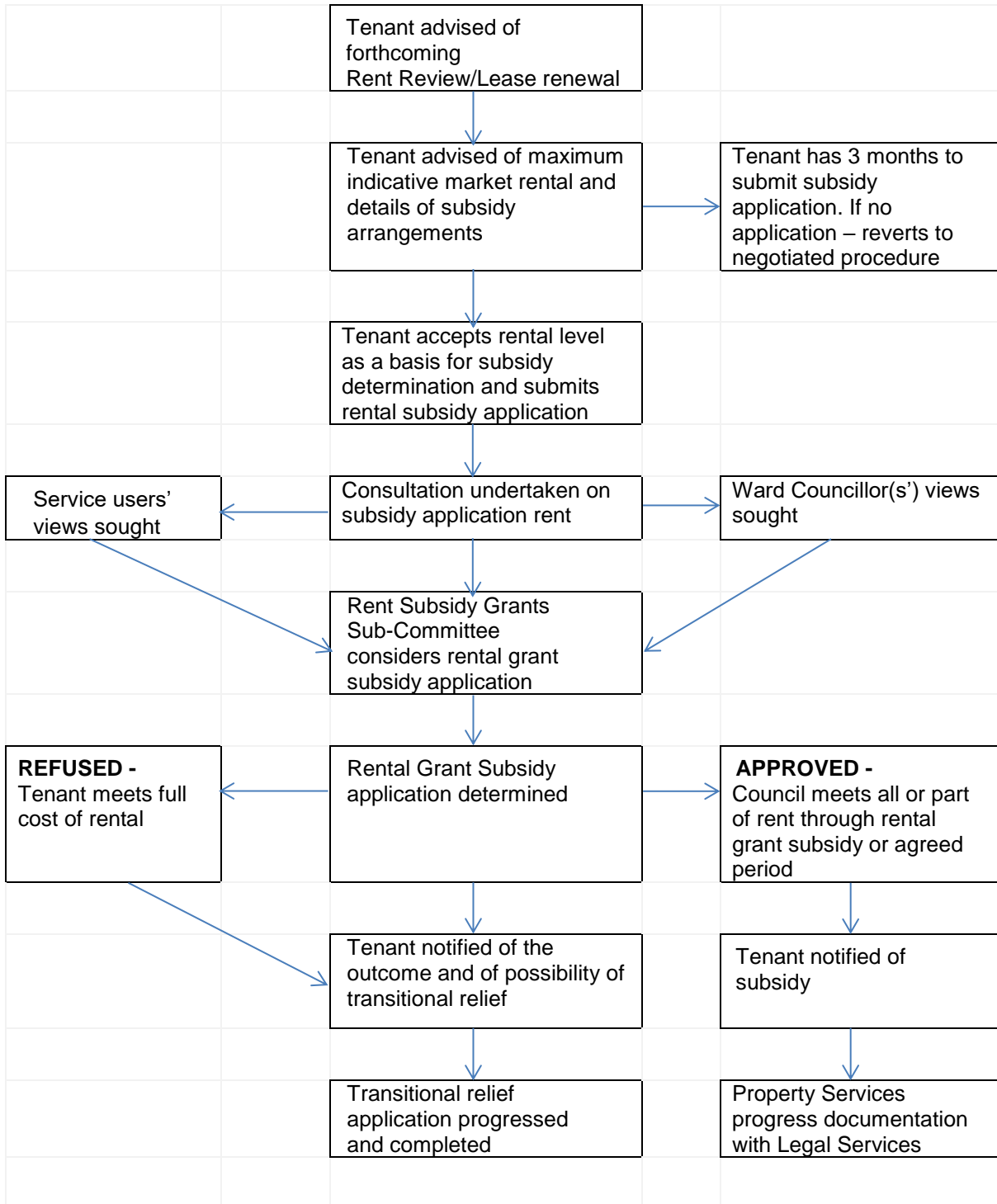
What would be the consequence of not providing subsidy (in part or in whole)?

Would this cause hardship?

Would it mean the service has to stop or change?

5. In normal circumstances, any rent subsidy grant awarded should be tapered in order to encourage organisations to become more self-sufficient, with rent review periods generally set between 6-9 years.
6. Where rent subsidy grant is refused, there should be the possibility of awarding transitional relief in order to provide a buffer for the organisation.
7. The flow chart on the following page sets out the process to be followed.

Process for determining rent subsidies



APPENDIX B

Rental Grant Subsidy Scoring Matrix

| SCORE | 4 | 3 | 2 | 1 | 0 | Total | Comments |
|---|---|--|---|---|--|-------|----------|
| SCORING CRITERIA | Excellent/Very Good | Good | Acceptable | Marginal | Undesirable | | |
| Intensity of use | Over 100 members or over 30 hours of use per week | Over 75 members or over 25 hours of use per week | Over 50 members or over 20 hours of use per week | Over 25 members or over 15 hours of use per week | Less than 25 members or less than 15 hours of use per week | | |
| Affordability | Free membership or free use | Membership rates or use/hire rates less than 60% of market rates and/or discounts available on grounds of financial hardship | Membership or use/hire rates at less than 75% of market rates | Membership or use/hire rates at less than 90% of market rates | No discount on market equivalents | | |
| Benefit to the wider community / diversity of users/extent of outreach work | Very wide variety of user groups and/or staff/volunteers carrying out outreach work. Multiple letters of support. | Wide variety of user groups and/or staff/volunteers carrying out outreach work. Several letters of support. | Some variety of user groups and/or staff volunteers carrying out outreach work. A few letters of support. | Limited variety of user groups and/or staff volunteers carrying out outreach work. One or two letters of support. | Only one user group and no outreach work | | |

| SCORE | 4 | 3 | 2 | 1 | 0 | Total | Comments |
|---|---|--|---|--|---|-------|----------|
| SCORING CRITERIA | Excellent/Very Good | Good | Acceptable | Marginal | Undesirable | | |
| Are revenue/fund-raising opportunities maximised? E.g. grant funding sought, fund-raiser events undertaken, commercial opportunities maximised where possible e.g. bar income, hire of facilities when not in use for core purpose. | Opportunities are maximised wherever possible | Opportunities are often maximised | Opportunities are sometimes taken | Opportunities are occasionally taken | Opportunities are not taken | | |
| To what extent do the group's activities align with TDC corporate priorities? | Very strong alignment with one or more priorities or strong alignment with more than one priority | Strong alignment with one priority or good alignment with more than one priority | Good alignment | Some alignment | Limited or no alignment | | |
| Does the group reduce TDC revenue costs e.g. by maintaining/repairing the asset and contributing to insurance | Yes, the group take full responsibility | Yes, the group pay the majority of costs associated with the asset | The group pay some of the costs associated with the asset | The group only pay a small percentage of the costs associated with the asset | The group do not pay any of the costs associated with the asset | | |

| SCORE | 4 | 3 | 2 | 1 | 0 | Total | Comments |
|--|--|--|---|---|---------------------------|-------|----------|
| SCORING CRITERIA | Excellent/Very Good | Good | Acceptable | Marginal | Undesirable | | |
| Does the group have financial reserves or fundraising targets? If so, are these earmarked for improvements to the facilities including improvement of environmental performance, flood resilience and/or biodiversity? | The group has plans for major improvements including environmental improvements and is accumulating funds to achieve this. | The group has plans for significant improvements and is accumulating funds to achieve this. The plans include some environmental improvements. | The group has plans for improvements including some environmental improvements but has not yet developed a plan to achieve these. | The group has plans for limited improvements and is accumulating funds to achieve this. | No plans for improvements | | |

Total score

Total possible score – 28

%

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TANDRIDGE DISTRICT COUNCIL - APPLICATION FOR A RENTAL GRANT SUBSIDY

please complete and return this form, together with your organisation's financial accounts for the last two years (i.e. profit and loss accounts and balance sheets)

| | |
|--|---|
| Name of organisation*: | East Surrey Museum |
| Description of land / property*: | Ground floor of 1 Stafford Road, Caterham, comprising 4 rooms for the display of Museum artefacts, plus office, storage, kitchen and toilet facilities, with storage outbuildings and 2 parking spaces. |
| Annual market rental assessment*: | £14400.00 |
| Please complete sections 1 to 5 below | |
| 1. Contact details | |
| Name: | Mrs Ros Rawling |
| Position within the origination: | Trustee |
| 2. Role of the organisation / membership regime / community links | |
| 2A Please describe your organisation's objectives and how it utilises the land / buildings leased from the Council. | <p>East Surrey Museum was originally set up to educate the public and promote interest in the history, archaeology and geology of East Surrey, including the geography of the area, and its social, agricultural, industrial and cultural developments – a role it successfully continues today. We run a rolling programme of displays of donated artefacts within the building, covering both Tandridge and the wider east Surrey area, and manage the storage space to keep the artefacts in their best condition.</p> <p>Members of the Museum pay an annual fee to support the Museum financially, for which they are entitled to a discount at the Museum shop as well as a regular newsletter and invitations to members-only events. However all of the Museum's services are available to the community without the need for membership.</p> <p>The Museum has many links to the wider community, including arranging visits and loans of educational resources for schools, retirement homes and others (cubs/brownies/scouts/guides) as well as links to local history groups, Caterham Festival, Caterham Christmas activities, Heritage Open Days, etc</p> |

| | |
|-----------|---|
| 3B | Is your organisation affiliated to a county / regional / national body? (if so, please give details) |
| | We are a fully accredited museum (number 1549) under the Arts Council museum scheme. This scheme has nationally agreed standards of care for artefacts and general management of Museums. It is the UK body to oversee this area of the arts. |
| 3C | How many paid up members does your organisation have? |
| | Paid up Membership is not a requirement to access the Museum's services but we have 103 volunteers who help in various capacities and of those there are 46 supporters who pay a subscription to help the finances of the Museum. |
| 3D | Approximately what percentage of the paid up members live in Tandridge? |
| | About 80% |
| 3E | Are there any restrictions to membership? |
| | NO |
| 3F | Please provide details of relevant membership and hire fees and any other charges. |
| | Supporters of the Museum pay £10 as a voluntary subscription to aid in the upkeep and running of the Museum. Volunteer stewards are not required to pay a subscription although about half choose to sign up. No entry fee for the public but donations gratefully received towards upkeep. |
| | We also request a voluntary donation for additional services provided by the Museum – such as out-of-hours visits, outreach services, loan boxes or extensive research requests. |
| 3G | Are discounts available on the grounds of financial hardship? |
| | Not applicable – See above. |
| 3H | Are the facilities only available to members or can users 'pay on the day'. |
| | No payment required – See above. |

3. Access to facilities and integration with the wider community

3A When are the facilities available for use during an average week?

The Museum is open on Wednesdays, Thursdays and Saturdays but information requests can be and are made online 7 days a week.

3B Does the organisation do anything to encourage wide ranging community use of the facilities? For example, initiatives to:

- **achieve a diverse membership base (besides any membership fee concessions / hardship relief schemes referred to in 2B above); and / or**
- **allow use by non-members such as community taster sessions; training / coaching development programmes; or via partnerships with local schools**

YES, in non-covid times:

- coffee mornings and lunchtime talks by experts to inspire interest.
- Visits by youth organisations - scouts, guides, etc to enjoy specific areas of the collection.
- Boxes loaned to schools on different relevant subjects in the curriculum.
- We deliberately DO NOT charge entry to encourage all comers
- Since the lockdowns have finished, we have returned to putting on popular children's craft activities to encourage interest in the Museum collection.
- We regularly remind the public on social media about our collection and its broad range and there is good interaction.
- Talks in schools, nursing homes and at village events throughout the district
- We normally have students doing work experience during the summer, and we also support individuals doing research for projects.

3C Does the organisation fulfil any wider community roles (e.g. outreach work in schools or participation in community events such as fetes and shows)?

Yes:

- Talks to schools, relating to the curriculum, taking along artefacts from the collection for handling
- Talks in care homes, with items relating to memory, including recorded items
- Talks and displays in different villages at Parish meetings, taking items from the collection relating to that community.
- Stalls in church halls and fetes.
- Participation in the Caterham Festival and Christmas events.

The museum plays its full part in community life wherever it can, to enhance local interest. For instance, the WW1 displays which accompanied community activities in 2014 and 2018 were very well received and attended.

For the future we would hope to extend our outreach to the other History Groups in the wider District and support them in their parishes where we can.

We are also working with local history groups (e.g. The Bourne Society) to increase interest in the history of local towns and villages through a 'Town Trail' programme, the first of which was published earlier this year and is free of charge.

4. Financial position / sustainability

4A Are financial reserves being accumulated for any particular purpose (e.g. future projects or specific contingencies)?

Our financial position has not been strong traditionally, and we would depend on Tandridge District Council for our survival. But recent Covid grants have been enough to not only redress Covid-related shortfalls in donation and sales income, but to also allocate some funding for much-needed internal redecoration, care and conservation of fragile artefacts, and investment in more modern display facilities and humidity monitoring equipment.

We also plan to review the collection and consider whether we can obtain items from other Museums to enhance and explain more fully our existing exhibits or acquire specific items important to the local area to the benefit of our community.

4B Please give details of any commercial activities on the site which generates income (e.g. bar / catering operations)

- We have a small shop, which sells books and items relating to Museum artefacts
- We are too small to consider catering on any scale and simply have the coffee mornings to encourage our supporters. There will be raffles at these which raise small amounts.

4C Please describe any fundraising activities undertaken by the group during a typical year

- In a non Covid year, we run holiday activities for children accompanied by parents, and participants usually make donations, although not obliged to
- The coffee mornings usually have a raffle which raises limited sums.
- Lunchtime talks attract donations
- Talks by volunteers at care homes and different organisations attract fees for the speakers
- Loan boxes to organisations such as schools are asked for a voluntary donation.

4D Does the organisation pursue any funding opportunities from other grant giving bodies?

Pre Covid we applied for and received grants from the Parish Councils, the Bourne Society and the Museum Development Partnership for specific projects.

During the Covid 19 crisis, we applied for and received grants from the Museum Development Partnership to reopen the Museum after lockdown, and a Collection Care grant to prevent deterioration of the artefacts during lockdown periods when the Museum was unoccupied. We also applied for and were approved to receive business Government Covid grants (via TDC).

NB because we do not have security of tenure, most funding trusts will not consider us for permanent installations in the premises, such as the central heating boiler.

5. Alignment with the Council's corporate priorities

5A In light of the information provided above, please explain how you think your organisation's activities align with the Council's corporate priorities/Strategic Plan (page 8 also refers).

- The Caterham, Chaldon and Whyteleafe Neighbourhood plan was overwhelmingly approved by popular referendum in June 2021, and policy CCW13 sets out the commitment to retaining the area's cultural offerings – including the Museum.

'POLICY CCW13: LIBRARIES, MUSEUM AND THEATRE

A. Proposals that would result in the loss of all or part of existing library sites, the museum and the theatre sites will not be supported unless alternative facilities of equivalent standard and convenience have been agreed..'

- We try to make very best economical use of the funding we have, providing excellent value for money by using *only* unpaid volunteers, and prioritising funds wherever possible to present interesting displays and exhibitions for the community.

- We believe it is important to enhance every resident's knowledge and understanding of their district but particularly our young people, so they treat it with increased respect and value the local area. We believe our local museum supports the health and wellbeing of the community (Community Service Plan objective HO5) by providing a place of study and research into the history of the local area, and our knowledgeable volunteers provide an invaluable service to visitors wanting to learn more about East Surrey.
- We provide handling objects for schools on their relevant educational topics so that items from the past are not seen as remote.
- We provide handling and aural items for nursing homes to use as memory aids in their work to support and enhance the experiences and memory of the elderly.
- During the recent lockdowns residents have become a lot more interested in the history of their area, town, village, street, house or family, and the Museum has been there to help in that research.
- We are complementary to other community organisations – libraries, history groups, other museums, and work together to help our customers with whatever they are interested in.

6. Required subsidy

6A What level of subsidy do you wish to apply for as a % of the annual market rental assessment on page 1 above

100%

6B What, in your opinion, would be the consequences of the Council not providing the subsidy, both for your organisation and the community at large?

If the Museum did not receive this Council subsidy it would have to close.

We simply do not have the means to fund this annual outlay on a continuing basis in this small space.

We believe we have an increasing role with residents, enabling them to appreciate the environment in which we all live and help them to respect and enjoy their surroundings, particularly following the pandemic. We are a local museum, and we give people a sense of place and belonging, and an understanding of how their communities have developed over time. This would all be lost if the artefacts had to be distributed to other areas.

Key Corporate Priorities for 2020/21 – 2023/24

1. **Building a better Council** – making the Council financially sustainable and providing residents with the best possible services
2. **Creating the homes, infrastructure and environment we need** – both now and in the future
3. **Supporting economic recovery in Tandridge** – from lockdown to growth that everyone benefits from
4. **Becoming a greener, more sustainable District** – tackling climate change

Please see further detail on the Council's website:

<https://www.tandridge.gov.uk/Your-council/Strategies-and-plans>

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APPENDIX D

Rental Grant Subsidy Scoring Matrix – East Surrey Museum

| SCORE | 4 | 3 | 2 | 1 | 0 | Total | Comments |
|---|---|--|---|---|--|-------|---|
| SCORING CRITERIA | Excellent/Very Good | Good | Acceptable | Marginal | Undesirable | | |
| Intensity of use | Over 100 members or over 30 hours of use per week | Over 75 members or over 25 hours of use per week | Over 50 members or over 20 hours of use per week | Over 25 members or over 15 hours of use per week | Less than 25 members or less than 15 hours of use per week | 2 | Opening hours 10am to 5pm three days per week; plus outreach; member sessions |
| Affordability | Free membership or free use | Membership rates or use/hire rates less than 60% of market rates and/or discounts available on grounds of financial hardship | Membership or use/hire rates at less than 75% of market rates | Membership or use/hire rates at less than 90% of market rates | No discount on market equivalents | 4 | Free entry to the community; supporter donations |
| Benefit to the wider community / diversity of users/extent of outreach work | Very wide variety of user groups and/or staff/volunteers carrying out outreach work. Multiple letters of support. | Wide variety of user groups and/or staff/volunteers carrying out outreach work. Several letters of support. | Some variety of user groups and/or staff volunteers carrying out outreach work. A few letters of support. | Limited variety of user groups and/or staff volunteers carrying out outreach work. One or two letters of support. | Only one user group and no outreach work | 3 | The museum works with a wide variety of ages from the very young to the very old. It visits schools and care homes and groups such as scouts and guides. It holds supporter events. |

| SCORE | 4 | 3 | 2 | 1 | 0 | Total | Comments |
|---|---|--|---|--|---|-------|---|
| SCORING CRITERIA | Excellent/Very Good | Good | Acceptable | Marginal | Undesirable | | |
| Are revenue/funding raising opportunities maximised? E.g. grant funding sought, fund-raiser events undertaken, commercial opportunities maximised where possible e.g. bar income, hire of facilities when not in use. | Opportunities are maximised wherever possible | Opportunities are often maximised | Opportunities are sometimes taken | Opportunities are occasionally taken | Opportunities are not taken | 2 | The museum has applied for grants from parish councils, the Bourne Society and the Museum Development Partnership. A barrier to larger grant funding applications is lack of security of tenure at present. |
| To what extent do the group's activities align with TDC corporate priorities? | Very strong alignment with one or more priorities or strong alignment with more than one priority | Strong alignment with one priority or good alignment with more than one priority | Good alignment | Some alignment | Limited or no alignment | 3 | Strong alignment with Priority Outcome 1.5. |
| Does the group reduce TDC revenue costs e.g. by maintaining/repairing the asset and contributing to insurance | Yes, the group take full responsibility | Yes, the group pay the majority of costs associated with the asset | The group pay some of the costs associated with the asset | The group only pay a small percentage of the costs associated with the asset | The group do not pay any of the costs associated with the asset | 0 | The Council not only subsidises the rent but also provides grant funding to the museum |

| SCORE | 4 | 3 | 2 | 1 | 0 | Total | Comments |
|--|---|--|--|---|--|-------|---|
| SCORING CRITERIA | Excellent/Very Good | Good | Acceptable | Marginal | Undesirable | | |
| Does the group have financial reserves or fundraising targets? If so, are these earmarked for improvements to the facilities including improvement of environmental performance, flood resilience and/or biodiversity? | A high percentage (75 to 100%) of reserves are earmarked for improvements | A percentage (50-75%) of reserves are earmarked for improvements | A percentage (25-50%) of reserves are earmarked for improvements | A percentage (up to 25%) of reserves are earmarked for improvements | No reserves earmarked for improvements | 1 | The Museum has very limited reserves and no particular fundraising target at present. Recent surpluses from Covid grants have been partially invested in improving facilities albeit not environmental performance. The remainder has been spent on museum collections. |

Total score for East Surrey Museum – 15

Total possible score – 28

54%

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APPENDIX E

APPENDIX E

TANDRIDGE DISTRICT COUNCIL - APPLICATION FOR A RENTAL GRANT SUBSIDY

please complete and return this form, together with your organisation's financial accounts for the last two years (i.e. profit and loss accounts and balance sheets)

| |
|---|
| Name of organisation*: Caterham Community Association |
| Description of land / property*: Caterham Community Centre Caterham on the Hill |
| Annual market rental assessment*: Subsidy applied for |
| Please complete sections 1 to 5 below |
| 1. Contact details Name: Sarah Burningham Position within the origination: Hon. Secretary |
| 2. Role of the organisation / membership regime / community links |
| 2A Please describe your organisation's objectives and how it utilises the land / buildings leased from the Council The aim of the Community Association is to provide a facility in the form of a Community Hub/Village Hall for the use of local groups of all kinds on a regular and casual basis. Groups using the centre are from all ages, and from various ethnic groups. The recently approved Neighbourhood Plan states that Community Hubs provide a focal point and facilities to foster greater local community activity and bring residents, the local business community, and smaller organisations together to improve the quality of life in their areas. |
| 3B Is your organisation affiliated to a county / regional / national body? (if so, please dive details) NO |

3C How many paid up members does your organisation have?
 This organisation does not have many individual members. It does have some local associated group members.

3D Approximately what percentage of the paid up members live in Tandridge?
 Currently 100%

3E Are there any restrictions to membership?
 No

3F Please provide details of relevant membership and hire fees and any other charges
 Membership fees: Individual £1.00 p.a. – Clubs £15.00 p.a.

Hall Hire Charges 2021

MAIN HALL

| | | |
|------------------------|-----------------|--|
| Monday – Friday | | |
| 0900-1700 | £14 per hour | |
| 1700-2230 | £14 per hour | |
| Saturday | | |
| 0900-1245 | £14 per hour | |
| 1245-2300 | £20-25 per hour | |
| Sunday | | |
| 1030-1830 | £20-25 per hour | |

CLUB/COMMITTEE ROOM

| | | |
|----------------------|-----------------|--|
| Monday-Friday | | |
| 0900-1800 | £6 per hour | |
| 1800-2200 | £10 per hour | |
| Saturday | | |
| 0900-1300 | £6 per hour | |
| 1300-2245 | £14-17 per hour | |
| Sunday | | |
| 10.30-1830 | £14-17 per hour | |

3G Are discounts available on the grounds of financial hardship?

Yes to some charitable/ voluntary organisations

3H Are the facilities only available to members or can users 'pay on the day'?

No. Facilities are available to those who wish to hire but use of the halls must be booked in advance with the Booking Secretary of the Association

3. Access to facilities and integration with the wider community

3A When are the facilities available for use during an average week?

Main hall is available for hire

0900-2200 Monday – Friday
0900-2230 Saturday
0900-18.00 Sunday

Small hall is available for hire

0900-2200 Monday – Saturday
0900-1800 Sunday

It is the policy of the CCA to keep weekend afternoons free from regular lettings to enable casual bookings during these times. Normally there are around 40 casual lets a year. Most of those hiring these halls are local to the Caterham and District area.

3B Does the organisation do anything to encourage wide ranging community use of the facilities? For example, initiatives to:

- **achieve a diverse membership base (besides any membership fee concessions / hardship relief schemes referred to in 2B above); and / or**
- **allow use by non-members such as community taster sessions; training / coaching development programmes; or via partnerships with local schools**

User base is diverse and the facilities are used by all age groups, all interests and all faiths or none

The groups often hold a taster session to encourage new members.

The unique sprung dance floor attracts groups of all ages for a wide variety of dance and aerobics. These provide activities for physical, mental and social wellbeing,

Local school uses facilities of both halls.

3C Does the organisation fulfil any wider community roles (e.g. outreach work in schools or participation in community events such as fetes and shows)?

Use of facilities donated during the Caterham Festival Street party. During the Festival the centre is also used for their fund-raising events.

Donate use of the hall for an annual Fundraising event for Caterham Carnival

Support for local charitable events by charging a reduced rate.

Public meetings.

4. Financial position / sustainability

4A Are financial reserves being accumulated for any particular purpose (e.g. future projects or specific contingencies)?

Yes for improvement of facilities in centre. Reserves result from hire charges.

The last accumulation of funds was used for replacing boilers, back hall decoration and some external work.

Future projects –

A complete upgrading of the lighting within the halls to replace with energy efficient units.

The installation of a hive/nest to control the heating and hot water remotely. This will necessitate installing wi-fi in the building

Decorating the main hall

New entrance doors to both halls

Treatment to damp external wall rear halls

4B Please give details of any commercial activities on the site which generates income (e.g. bar / catering operations)

None

4C Please describe any fundraising activities undertaken by the group during a typical year

We have in the past but not recently, in part due to Covid

4D Does the organisation pursue any funding opportunities from other grant giving bodies?

Recently we have been able to fund improvements to our buildings from revenue from Hirers.

After receiving the results of an EPC we are considering ways of improving the energy efficiency of the buildings. We have had discussions with Surrey County Council about sourcing grants to enable improvements to the buildings to carry these out. We will also investigate any other sources of from national organisations.

5. Alignment with the Council's corporate priorities

5A In light of the information provided above, please explain how you think your organisation's activities align with the Council's corporate priorities/Strategic Plan (page 8 also refers).

- 1 We are providing a valuable Community Hub at no cost to the Council and of great benefit to our local community. Management of the centre has been self-financing since 1999. This Hub is a centre for many groups providing a wide variety of activities. All those on the committee are volunteers, some of whom have been giving their time for over 20 years. The Community Centre is a much-used facility for Caterham on the Hill and, in some cases, the wider Tandridge community. It provides a venue for social, health and wellbeing. The committee running the centre has a good relationship with its many regular users and the centre has a good reputation among the many who book it for single events. The Community Centre is self-supporting and a programme of improvements to the buildings is continuous but dependent on money raised by the rents charged.
- 2 The Community centre is a much-valued part of the infrastructure in the local area. The recently approved Neighbourhood Plan states that Community Hubs provide a focal point and facilities to foster greater local community activity and bring residents, the local business community, and smaller organisations together to improve the quality of life in their areas. Neighbourhood Plan policy CCW14 Community Hubs states that proposals that would result in the loss of community and leisure facilities demonstrate by comparison to the existing facility that replacement will be of at least an equivalent scale, specification and located in an accessible location to the community to be served.
- 3 Some of our hirers are small local businesses which have close links to other businesses. Post lockdown we are on our way back to normal use of our facilities. There is a growing population in Caterham and the wider area which increases the need for this type of resource.
- 4 Some measures are in place to conserve water. Double glazing is installed to help reduce fuel consumption. Plans are in place to review all the lighting in the buildings and to replace with more energy efficient units. The installation of a hive/nest to improve heating control of the buildings and reduce energy consumption is being investigated

| | |
|-----------|---|
| 6. | Required subsidy |
| 6A | <p>What level of subsidy do you wish to apply for as a % of the annual market rental assessment on page 1 above</p> <p>98.5%</p> |
| 6B | <p>What, in your opinion, would be the consequences of the Council not providing the subsidy, both for your organisation and the community at large?</p> <p>As a Community Centre has been an integral part of the Caterham and its wider community for 75 years and several generations have grown up using the facilities for their health, physical, mental and social wellbeing.</p> <p>We attach some documents that have been received from some of our users which attest to the value of the facilities to the lives of those in the community.</p> <p>Without a large subsidy the rents would need to rise significantly to meet the new charges. This cost would have to be passed on to hirers, many of whom would be unable to continue in their present form. This could lead to many of these groups ceasing to exist which would have a seriously detrimental effect on all the users.</p> <p>Any increase absorbed by the Association would lead to it being unable to maintain and make any improvements to the centre.</p> <p>Looking ahead to fulfil the aims of the Association to provide a facility fit for the future, we need financial viability and a decent length lease of 15 years.</p> <p>In a recent survey carried out in Caterham, an area with an increasing population, the top 2 concerns were the lack of leisure facilities and the importance of community cohesion. Facilities such as the Community Centre are vital in meeting these concerns.</p> |

Key Corporate Priorities for 2020/21 – 2023/24

1. **Building a better Council** – making the Council financially sustainable and providing residents with the best possible services
2. **Creating the homes, infrastructure and environment we need** – both now and in the future
3. **Supporting economic recovery in Tandridge** – from lockdown to growth that everyone benefits from
4. **Becoming a greener, more sustainable District** – tackling climate change

Please see further detail on the Council's website:

<https://www.tandridge.gov.uk/Your-council/Strategies-and-plans>

APPENDIX F

Dear Marian

Thank you for all the work you do with the Caterham Community Association in Caterham High Street. I know it is really appreciated by many people.

To be able to have such a wonderful facility, available to so many people is a real benefit to our local community. I am truly glad that you are still functioning after the Covid 19 pandemic of the past 16 months

As chairman of one of the largest organisations in the area I am delighted that we are able to use it on a regular basis.

I also know there are other facilities available such as the Soper Hall in Caterham Valley which I help run, but they are completely different with the style and facilities that they offer. The Caterham Community association has many assets that we and other halls don't have including a stage with lighting and a decent kitchen.

I understand that your lease is due for renewal and I trust that Tandridge District Council will look favourably on you and grant you a further period without increasing your costs, keeping it affordable for the local residents and organisations

Yours faithfully

Andy Parr M.B.E.
Chairman

Caterham Festival 2022
29th May – 26th June

info@caterhamfestival.org supported by



To Whom it may concern,

Caterham Community Centre has been the sole teaching venue for Caterham Performing Arts for over 40 years since the school changed hands and was passed from its previous owner. Over this time Caterham Performing Arts has served hundreds of local school children who live in Caterham and has provided them with a quality dance education. At present we currently have approximately 200 students who rely on us to educate them in the performing arts. Unfortunately main-stream schools do not provide the arts as part of their education and so small schools like ours who are based in venues such as Caterham Community Centre provide the only opportunity for children to experience dance, acrobatics, singing and drama.

In the last 6 years we have also started Caterham Allstars Cheerleading Academy at the community centre which now provides the area's only cheerleading programme. This new addition to the community centre has benefitted so many more children in our community and has provided them with a new team sport where they are able to build new friendships, increase their confidence with others in addition to providing much needed exercise.

Caterham Community Centre you see is not just a venue that we hire. It's a home away from home where both children and adults can come to see familiar faces each day. Each child and adult we teach has a different story – some are having a hard time at school, some are struggling at home and some are just struggling with life itself. The community centre plays such an important role in their life as it's a constant for them. They know that they can come to our classes and know that for a few hours each day they can escape the problems that are present for them.

Without the use of Caterham Community Centre we cannot provide the children and adults of Caterham On The Hill with a quality performing arts education, cheerleading programme and home away from home. We would be unable to provide the community with such beneficial classes that they have come to rely on particularly in these uncertain times.

Our community centre brings together people who inspire each other. It stands as a long-term investment in our community. Beyond the bricks and mortar, Caterham Community Centre is transformed by the energy and passion of the people who visit — the hirers, the volunteers, the parents and most importantly the children.

Kind Regards,

Rebecca

(Principal of Caterham Performing Arts & Programme Director of Caterham Allstars Cheerleading)

RACHAEL *reynolds* S C H O O L O F D A N C E

The Caterham Community Centre has been a very familiar venue to me for as long as I can remember. It was where I took my first dance class at 4 years old and where I continued to attend dance classes for 24 years as the school passed from hand to hand. In 2018 I was lucky enough to take over from the owner at the time and rebrand it as my own. I have now been running Rachael Reynolds School of Dance from the Community Centre ever since and it will always have a very special place in my heart. The Community Centre is where my dance school is based and unfortunately the availability of venues suitable for classes like ours in the local area is extremely low. The loss of this venue to my dance school would be the loss of around 200 of my students who attend their dance classes there every week.

My dance school is only 3 and a half years old and since launching it I have worked extremely hard to establish our place in the performing arts sector of Caterham. Teaching children how to improve their singing, dancing and acting skills is only one part of what we do. The main goal we have as a school is to increase our student's confidence to help them in their every-day lives. The Community Centre is well known as one of our permanent venues and has become part of ours and our dance school family's weekly routines. Running a small business has its struggles and there are only a few things we can rely on, one of them being that we have the support from the local council in order for us to enhance and engage our community. I feel that what my business promotes benefits our community by providing an activity for children and young adults which in turn keeps them fit and healthy, teaches them discipline and guides them into the next steps of their lives. Without the use of The Community Centre we lose our ability to do all of this.

As a community based Dance School we rely on affordable local venues such as The Caterham Community Centre to function. My team and I work so hard every week to plan and provide the best possible classes for the children and young adults of our community but when something as simple as our venue is taken away from us it leaves us completely vulnerable and unable to continue doing what we do. It has taken me 3 and a half years to build my school to what it is today and that is despite the struggles we have faced due to Covid over the past 18 months. The Community Centre is more than just a venue to me, it is part of the foundations of my whole career and business and a venue I only want to expand my hiring hours and relationship with over the coming years.

Kind regards,

Rachael
(Principal of Rachael Reynolds School of Dance)



Nicky Zuaiter

Marian Tait
Caterham Community Association

25/08/21

Dear Marian,

Re: Caterham Community Centre Hall Hire

I hope that the Caterham Community Association are successful with their lease renewal & grant subsidy application.

As you are aware, I run six classes at Caterham Community Centre for adults over the age of 50 years. These classes are very popular, especially because the style of dance does not require a partner. Many retired people come regularly to the classes because not only is it a good way for them to keep fit but it is also a fantastic way for them to make friends. Since opening the class some years ago, its popularity has gone from strength to strength, and I have had to add more classes to accommodate everyone.

The class has physical, mental, and emotional benefits for this group. It provides low impact aerobic exercise whilst engaging in a social activity. Many friendships have been formed. They love the music. It stimulates the mind which has been proven to lower the risk of dementia. The people who attend the classes really enjoy them so much.

The location is easily accessible both by public transport and by car, with free parking nearby which is especially important for this group of people.

I can offer classes at affordable rates because the hall hire charges are not too high. This is very beneficial because our customers are retired. If the hire charges were to increase, it would sadly not be financially viable for our classes to continue.

As well as the weekly dance classes, we continue to hold our charity fund raising evenings each year and have raised thousands of pounds for various charities over the years. If the hall hire costs increase we will no longer be able to run these events.

I hope that you will be successful in renewing the lease and qualifying for a rent grant subsidy so that the groups that use Caterham Community Centre for different activities can continue to do so.

Kind regards,

Nicky Zuaiter

CATERHAM COMMUNITY ASSOCIATION

Page 1

INCOME & EXPENDITURE ACCOUNT FOR THE 12 MONTHS ENDING 31st DECEMBER 2020

| | A/C Ref | Note | 2020 £ | 2020 £ | 2019 £ | 2019 £ | 2018 £ |
|---|---------|------|-----------|---------------|---------------|---------------|---------------|
| Income | | | | | | | |
| Hire charges | F01/S03 | | 11,986 | | 20,872 | | 20,569 |
| Interest | F01/S02 | | 4 | | 4 | | 5 |
| Covid Support:Government | F01/S01 | 1 | 10,000 | | 0 | | 0 |
| Subscriptions | F01/S01 | | 16 | | 30 | | 30 |
| Fund raising | F01/S03 | | 108 | | 0 | | 0 |
| Donations | F01/S01 | | 100 | | 102 | | 471 |
| Total Income | | | | 22,213 | | 21,008 | 21,065 |
| Expenditure | | | | | | | |
| Covid Related Equipment | F01/S10 | | 2,008 | | 0 | | 0 |
| Repairs & Maintenance | F01/S10 | | 5,221 | | 1,938 | | 2,031 |
| Electrical Repairs | F01/S10 | | 0 | | 0 | | 0 |
| Boilers | F01/S10 | | 0 | | 7,768 | | 0 |
| Refurbishment of Floor/Doors/Windows | F01/S10 | | 0 | | 0 | | 0 |
| Plumbing | F01/S10 | | 0 | | 192 | | 0 |
| Fire Appliances | F01/S10 | | 280 | | 799 | | 900 |
| Utilities/Telephone | F01/S10 | | 3,626 | | 5,966 | | 5,313 |
| Carstaker | F01/S10 | | 2,986 | | 3,605 | | 3,012 |
| Cleaning materials | F01/S10 | | 633 | | 316 | | 500 |
| General rates | F01/S10 | | 151 | | 602 | | 692 |
| Insurance | F01/S10 | | 3,790 | | 3,228 | | 4,478 |
| Postage & Stationery | F01/S10 | | 66 | | 194 | | 246 |
| Licence & Rent: TDC | F01/S10 | | 704 | | 1,326 | | 382 |
| Depreciation | F01/S10 | 2 | 367 | | 367 | | 367 |
| Total Expenditure | | | | 19,713 | | 26,281 | 17,802 |
| Deficit/Surplus for the year | | | | | | | |
| -Being (Decrease)/Surplus in Accumulated Fund | | | | 2,500 | -5,273 | 3,263 | |

The notes on page 3 form part of these accounts.

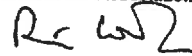
CATERHAM COMMUNITY ASSOCIATION
BALANCE SHEET AS AT 31st DECEMBER 2020

Page 2

| | A/C Ref | Note | 2020 £ | 2019 £ | 2019 £ | 2019 £ |
|--|------------|------|---------------|-----------|---------------|-----------|
| Fixed Assets | | | | | | |
| Tangible Assets | FO4/BO2 | 3 | | 1,232 | | 1,599 |
| Current Assets | | | | | | |
| Debtors | FO4/BO6 | 4 | 5,011 | | 6,595 | |
| Cash at Bank & in Hand | FO4/BO8 | 5 | <u>13,102</u> | | <u>8,445</u> | |
| | | | <u>18,113</u> | | <u>15,040</u> | |
| Creditors | | | | | | |
| Amounts due in 1 year | FO4/B10 | 6 | (555) | | (349) | |
| Net Current Assets/Liabilities | | | | | | |
| | FO4/BO9 | | | 17,558 | | 14,691 |
| Total Assets less Current Liabilities | | | | | | |
| | FO4/B12 | | | 18,790 | | 16,290 |
| Represented by | | | | | | |
| Accumulated Fund for prior years | | | | 16,290 | | 21,563 |
| - Decrease/Increase for Current year | | | | 2,500 | | -5,273 |
| Accumulated Fund at year end. | | | | | | |
| | FO4/B18 | | | 18,790 | | 16,290 |

Mrs M. Tait: Hon Treasury

I certify that the above Balance Sheet and accompanying Income and Expenditure Account have been prepared in accordance with the books and vouchers of the Association.



Peter E. Cook Independent Examiner
18th March 2021

CATERHAM COMMUNITY ASSOCIATION

Notes to the Accounts

Page 3

Introduction

The accounts have been prepared under the historical cost convention

1 Covid Grant - Government

£10,000 Non-refundable grant was received in this fiscal.

2 Depreciation

The amount charged in these accounts relates to Furniture & Catering equipment, 4 tables and 50 chairs were purchased in June 2017.
(See also note 3)

3 Tangible Assets

| | Catering Equipment | Furniture Fittings | Total |
|----------------------------|-----------------------|-----------------------|--------|
| | £ | £ | £ |
| Cost | | | |
| At 31st December 2019 | 2,279 | 8,471 | 10,750 |
| Additions during this year | 0 | 0 | 0 |
| At 31st December 2020 | 2,279 | 8,471 | 10,750 |
| Depreciation | | | |
| At 31st December 2019 | 2,279 | 6,872 | 9,151 |
| Charge for this year | | 367 | 367 |
| At 31st December 2020 | 2,279 | 7,239 | 9,518 |
| Net Book Value | | | |
| At 31st December 2019 | 0 | 1,599 | 1,599 |
| At 31st December 2020 | 0 | 1,232 | 1,232 |

The Association owns other sundry items of Furniture and Equipment which have been fully depreciated in earlier years. The current worth does not justify a revaluation.

4 Debtors

| | 2020 | 2019 |
|---|--------------|--------------|
| | £ | £ |
| Amounts due from hirers - (Recd Jan-Mar 2020) | 4,695 | 6,930 |
| Prepayments (Rates, Insurance, Licences) | 416 | 1,238 |
| | <u>5,011</u> | <u>8,168</u> |

5 Cash at Bank and in Hand

| | | |
|--|---------------|--------------|
| Cash at Bank - Treasurers Account Lloyds | 844 | 1,317 |
| Cash at Bank - Instant Account Lloyds | 12,288 | 7,128 |
| Cash in Hand - Hon Treasurer | 0 | 0 |
| | <u>13,102</u> | <u>8,445</u> |

6 Creditors (Amounts due in 1 year)

| | | |
|-------------------------|------------|------------|
| Hire Charges in advance | 0 | 0 |
| Subscriptions | 0 | 0 |
| Accruals: Utilities. | 566 | 349 |
| | <u>566</u> | <u>349</u> |

7 Status of the Association

The Association is a registered charity, No.304991. It is exempt from United Kingdom taxation.

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APPENDIX G

Rental Grant Subsidy Scoring Matrix for Caterham Community Association

| SCORE | 4 | 3 | 2 | 1 | 0 | Total | Comments |
|---|---|--|---|---|--|-------|--|
| SCORING CRITERIA | Excellent/Very Good | Good | Acceptable | Marginal | Undesirable | | |
| Intensity of use | Over 100 members or over 30 hours of use per week | Over 75 members or over 25 hours of use per week | Over 50 members or over 20 hours of use per week | Over 25 members or over 15 hours of use per week | Less than 25 members or less than 15 hours of use per week | 4 | Main hall alone has bookings for over 50 hours Monday to Friday. There are ad-hoc weekend bookings and use of the small hall also. |
| Affordability | Free membership or free use | Membership rates or use/hire rates less than 60% of market rates and/or discounts available on grounds of financial hardship | Membership or use/hire rates at less than 75% of market rates | Membership or use/hire rates at less than 90% of market rates | No discount on market equivalents | 2 | Hire rates are affordable compared to other local options |
| Benefit to the wider community / diversity of users/extent of outreach work | Very wide variety of user groups and/or staff/volunteers carrying out outreach work. Multiple letters of support. | Wide variety of user groups and/or staff/volunteers carrying out outreach work. Several letters of support. | Some variety of user groups and/or staff volunteers carrying out outreach work. A few letters of support. | Limited variety of user groups and/or staff volunteers carrying out outreach work. One or two letters of support. | Only one user group and no outreach work | 3 | Letters of support received from Caterham Performing Arts, Rachel Reynolds dance school, Danzing and the chair of the Caterham Festival. |

| SCORE | 4 | 3 | 2 | 1 | 0 | Total | Comments |
|---|---|--|---|--|---|-------|--|
| SCORING CRITERIA | Excellent/Very Good | Good | Acceptable | Marginal | Undesirable | | |
| Are revenue/fund-raising opportunities maximised? E.g. grant funding sought, fund-raiser events undertaken, commercial opportunities maximised where possible e.g. bar income, hire of facilities when not in use for core purpose. | Opportunities are maximised wherever possible | Opportunities are often maximised | Opportunities are sometimes taken | Opportunities are occasionally taken | Opportunities are not taken | 1 | In recent years the Association has not undertaken fundraising or sought grant funding however it is currently investigating grant funding options in order to fund improvements. A barrier to larger grant funding applications could be lack of security of tenure at present. |
| To what extent do the group's activities align with TDC corporate priorities? | Very strong alignment with one or more priorities or strong alignment with more than one priority | Strong alignment with one priority or good alignment with more than one priority | Good alignment | Some alignment | Limited or no alignment | 3 | Strong alignment with Priority Outcome 1.5. Looking for opportunities to support better health & wellbeing for residents. |
| Does the group reduce TDC revenue costs e.g. by maintaining/repairing the asset and contributing to insurance | Yes, the group take full responsibility | Yes, the group pay the majority of costs associated with the asset | The group pay some of the costs associated with the asset | The group only pay a small percentage of the costs associated with the asset | The group do not pay any of the costs associated with the asset | 3 | The Association currently look after all repair and maintenance and statutory compliance. The Association doesn't currently |

| SCORE | 4 | 3 | 2 | 1 | 0 | Total | Comments |
|--|---|--|--|---|---|-------|--|
| SCORING CRITERIA | Excellent/Very Good | Good | Acceptable | Marginal | Undesirable | | |
| | | | | | | | contribute to insurance costs. |
| Does the group have financial reserves or fundraising targets? If so, are these earmarked for improvements to the facilities including improvement of environmental performance, flood resilience and/or biodiversity? | A high percentage (75 to 100%) of reserves are earmarked for improvements | A percentage (50-75%) of reserves are earmarked for improvements | A percentage (25-50%) of reserves are earmarked for improvements | A percentage (up to 25%) of reserves are earmarked for improvements | No reserves earmarked or fundraising targets for improvements | 2 | Reserves are earmarked for improvements including replacing light fittings and improving heating controls, however there are no details of costs and how much will come from reserves. |

Total score for Caterham Community Centre - 18

Total possible score – 28

64%

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TANDRIDGE DISTRICT COUNCIL - APPLICATION FOR A RENTAL GRANT SUBSIDY

please complete and return this form, together with your organisation's financial accounts for the last two years (i.e. profit and loss accounts and balance sheets)

| |
|--|
| Name of organisation*: Warlingham Sports Club |
| Description of land / property*: Hamsey Green Playing Fields |
| Annual market rental assessment*: £6100 |
| Please complete sections 1 to 5 below |
| <p>1. Contact details</p> <p>Name: Steve Rolfe</p> <p>Position within the origination: Chairman</p> |
| <p>2. Role of the organisation / membership regime / community links Community Amateur Sports Club (CASC)</p> |
| <p>2A Please describe your organisation's objectives and how it utilises the land / buildings leased from the Council.</p> <p>The land is used to provide football and cricket facilities for both matches and training/practise.</p> <p>Our objective as a club is to provide sporting facilities to the local community at a reasonable cost so as not to restrict participation.</p> |
| <p>2B Is your organisation affiliated to a county / regional / national body? (if so, please dive details)</p> <p>Football - affiliated to Surrey County Football Association Cricket – English Cricket Board</p> |

| |
|---|
| <p>2C How many paid up members does your organisation have?</p> <p>Overall approx... 1000 (Football/Cricket/Squash/Tennis/Petanque/Social) Football: 300 (playing members) Cricket: 70 (playing members)</p> |
| <p>2D Approximately what percentage of the paid up members live in Tandridge?</p> <p>We operate within a mile of the boundary with both Kent and London Borough of Croydon. We do not discriminate against members based on post code. Or anything else for that matter. This is therefore not a statistic which has any value for us. A recent assessment put the number at 60%.</p> |
| <p>2E Are there any restrictions to membership?</p> <p>None</p> |
| <p>2F Please provide details of relevant membership and hire fees and any other charges</p> <p>Football - £60 per member – plus fees per match(unchanged for 15 years+) Cricket - £140 per member – plus fees per match</p> <p>We don't normally hire facilities to outside organisations but if the circumstances are right we would do so at £100 per football pitch and £150 for a cricket pitch.</p> |
| <p>2G Are discounts available on the grounds of financial hardship?</p> <p>Yes – discounts, instalment plans, waivers, depending on the individual circumstances</p> |
| <p>2H Are the facilities only available to members or can users 'pay on the day'?</p> <p>Generally only available for member teams. This accounts for full usage when the pitches are available. The facility is sparingly used during the winter months Nov to Mar because of the poor waterlogging conditions. The IOG have declared the facility unfit for winter sport. We do occasionally hire out the facility but this is rare.</p> |
| <p>3. Access to facilities and integration with the wider community</p> |
| <p>3A When are the facilities available for use during an average week?</p> <p>During the summer months, weekday evenings, Saturdays and Sundays. During the winter months, subject to conditions, Saturday and Sunday.</p> |

3B Does the organisation do anything to encourage wide ranging community use of the facilities? For example, initiatives to:

- achieve a diverse membership base (besides any membership fee concessions / hardship relief schemes referred to in 2B above); and / or
- allow use by non-members such as community taster sessions; training / coaching development programmes; or via partnerships with local schools

The facilities we provide for the sports we offer are fully utilised. However, we have recently added a Petanque court to encourage older members and we have also linked up with Sport Works to provide exercise classes, free of charge, to seniors and new mums. Unfortunately, this was financially supported by the National Lottery who have subsequently cancelled all funding because of Covid 19 and therefore the initiative has been placed on hold but we hope to resurrect this project when the pandemic is finally over.

3C Does the organisation fulfil any wider community roles (e.g. outreach work in schools or participation in community events such as fetes and shows)?

We do not provide outreach work in schools. All our sporting facilities and teams are managed by volunteers.

We do attend the Warlingham Fair annually.

At our main location at Church Lane we do provide facilities, free of charge, to Warlingham Village School for a number of sports.

4. Financial position / sustainability

4A Are financial reserves being accumulated for any particular purpose (e.g. future projects or specific contingencies)?

We have no financial reserves at present but as a result of Covid we have agreed a policy to build a reserve to provide protection against similar situations in the future and make sure we protect the club for future generations. Surplus funds are ploughed back into sport to improve our offering and facilities.

4B Please give details of any commercial activities on the site which generates income (e.g. bar / catering operations)

None at Hamsey Green Playing Fields

4C Please describe any fundraising activities undertaken by the group during a typical year

Each sporting section runs activities during the year which normally have a primary charitable focus. However, we do raise funds via Football tournaments, Race nights etc which boost bar income and contribute to the financial health of the overall sports club.

4D Does the organisation pursue any funding opportunities from other grant giving bodies?

Yes – we apply for grants from SCC, TDC and our local parish council and specific grants from the sporting bodies. These applications are all focused on specific projects or purchases. They do not assist general cash flow.

During Covid 19 we have applied for and been successful in getting grants from TDC, Sport England and the Football Foundation. This has helped us survive the pandemic.

5. Alignment with the Council’s corporate priorities

5A In light of the information provided above, please explain how you think your organisation’s activities align with the Council’s corporate priorities/Strategic Plan

TDC corporate priorities include a health & wellbeing and leisure strategy as a key element. WSC plays a big part in delivering this strategy for TDC. There are very few sports clubs of our size or range in TDC area and were we to fail then this would have a substantial impact on this key TDC priority.

We also save TDC substantial local tax payer funds by managing this facility at Hamsey Green Playing Fields. Without WSC the council would incur costs managing the facility, hiring out the facilities, maintaining the facilities and in particular with maintenance of the sporting facilities so they are available for use.

The maintenance of the sporting facilities alone, including 3 football pitches and the cricket square amounts to more than £5k per annum and probably substantially more if a large proportion of the potential cost was not negated by volunteers.

6. Required subsidy

6A What level of subsidy do you wish to apply for as a % of the annual market rental assessment on page 1 above

We believe a 100% rent subsidy is appropriate. This would allow us to invest further funds into the sporting facilities/pitches and improve the surfaces and usage for the local community.

6B What, in your opinion, would be the consequences of the Council not providing the subsidy, both for your organisation and the community at large?

If we were unsuccessful in our grant application then this would mean less funds available to invest in improving the facility and increasing usage. This would likely result in a reduction in the facilities we are able to provide. We would have to consider whether we renew the lease at all if the cost was substantially increased over and above the current net rental.

Key Corporate Priorities for 2020/21 – 2023/24

1. **Building a better Council** – making the Council financially sustainable and providing residents with the best possible services
2. **Creating the homes, infrastructure and environment we need** – both now and in the future
3. **Supporting economic recovery in Tandridge** – from lockdown to growth that everyone benefits from
4. **Becoming a greener, more sustainable District** – tackling climate change

Please see further detail on the Council's website:

<https://www.tandridge.gov.uk/Your-council/Strategies-and-plans>

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APPENDIX I (i)

Warlingham Sports Club - Draft Income and expenditure account for the year ended 31 March 2020

| 2019-2020 | Total 2019-2020 | | 2018-19 12 months | 2017-18 12 months |
|----------------------------------|--------------------|----------|----------------------|----------------------|
| Weeks | | | | |
| Sales (NET-EXCI VAT) | 245,713.51 | - 12,983 | 258,697 | 231,187 |
| sales at cost | 287.50 | | 318 | 233 |
| Total sales | 246,001.01 | | 259,015 | 231,471 |
| Less: Cost of Sales | | | | |
| Beer | 93,366.27 | 1,748 | 95,115 | 82,617 |
| Snacks | 5,290.38 | | 5,142 | 4,968 |
| Gross profit | 147,344.36 | | 158,759 | 143,886 |
| Expenses (net - excl VAT) | | | | |
| Payroll costs | 82,601.57 | 1,558 | 84,530 | 77,659 |
| Licenses | 1,360.51 | | 1,073 | 959 |
| Cleaning | 1,520.53 | | 1,441 | 2,613 |
| Waste | 1,922.44 | 1,807 | 3,730 | 3,223 |
| Fire insurance claim costs | 661.73 | | 0 | 0 |
| Repairs and Maintenance | 9,736.67 | - 6,167 | 3,570 | 5,617 |
| Bar equipment | 18,355.31 | - 12,661 | 5,694 | 15,457 |
| Satellite rental | 7,598.86 | | 7,381 | 6,936 |
| Light and heat | 12,343.58 | 1,020 | 13,363 | 8,350 |
| Gaming machine/pool table | 659.96 | | 810 | 660 |
| Stocktaking | 1,080.00 | | 945 | 1,070 |
| Accountancy | 825.00 | | 800 | 850 |
| Sundry expenses | 6,240.75 | | 7,285 | 7,397 |
| Complementary top ups | - | | 0 | 0 |
| | 144,906.90 | | 130,623 | 130,791 |
| net Bar Profit | 2,437.45 | | 28,136 | 13,096 |
| Other income | | | | |
| Gaming machines | 770.00 | - 2,186 | 2,956 | 1,251 |
| Pool table | 1,454.17 | 504 | 950 | 1,271 |
| Card charges | 11.00 | | 15 | 10 |
| Hall and ground lettings | 300.00 | | 300 | 1,500 |
| Sundry | 310.00 | | 0 | 0 |
| Net Income from Bar | 5,282.62 | | 32,357 | 17,127 |
| Shared costs | | | | |
| Administration Wages (incl tax) | - | | 0 | 0 |
| Water | 3,119.80 | | 3,119 | 3,784 |
| Rates | 1,965.60 | | 1,923 | 1,868 |
| Insurance | 5,869.28 | - 1,035 | 4,835 | 4,871 |
| Printing, stationery and postage | - | | 0 | 0 |
| Telephone | 1,069.65 | | 921 | 968 |
| Bank charges | - | | -267 | 0 |
| Loan interest | - | | 0 | 0 |

| | | | | |
|---------------------------------------|--------------------|----------|----------------|----------------|
| Sundry expenses | 5,830.24 | - 2,034 | 3,796 | 3,250 |
| Legal expenses | - | | 0 | 0 |
| | 17,854.57 | | 14,326 | 14,741 |
| one half | 8,927.29 | | 7,163 | 7,370 |
| Revised recurring bar profit | - 3,644.67 | | 25,194 | 9,756 |
| | Total | | Total | Total |
| Other income | | | | |
| Rental for phone mast | 6,560.73 | | 6,561 | 6,561 |
| Fireworks income | | | | |
| Bank interest | | | | |
| Donations and social | 1,200.00 | - 30 | 1,230 | 1,450 |
| Revised bar or non sport profit | 4,116.06 | | 32,985 | 17,767 |
| Quota from Sections | | | | |
| Cricket | 9,690.00 | 1,690 | 8,000 | 8,500 |
| Ground hire | 1,250.00 | 1,250 | 0 | 261 |
| Football | 10,426.61 | | 10,072 | 9,682 |
| Squash | 11,153.60 | | 10,931 | 23,974 |
| Other income (incl Tandridge Lottery) | 478.00 | - 7,825 | 8,303 | 1,500 |
| Total sports income | 32,998.21 | | 37,305 | 43,918 |
| Grounds - materials and repairs | 16,664.15 | 9,652 | 26,317 | 21,048 |
| Grounds - salary (incl tax) | 27,137.29 | - 902 | 26,236 | 23,953 |
| Other sports costs | - | | 0 | 0 |
| | 43,801.44 | | 52,552 | 45,001 |
| Shared costs | | | | |
| half share - as row 56 | 8,927.29 | | 7,163 | 7,370 |
| Electricity and Gas | 2,694.13 | | 2,096 | 2,051 |
| Accountancy | 825.00 | | 0 | 850 |
| | 12,446.42 | | 9,259 | 10,272 |
| Net "loss" on sports | - 23,249.64 | | -24,506 | -11,355 |
| Maternity pay | - | | 0 | 0 |
| Net Income before tax | - 19,133.58 | - 26,593 | 8,479 | 6,412 |

APPENDIX I (ii)

Warlingham Sports Club Income and Expenditure Account For the year ended 31 March 2021

Turnover

| | | |
|------------------------------------|-------------------|-------------------|
| Cash receipts for drink and snacks | 31,263.34 | |
| Daily App Receipts | 2,073.86 | |
| Daily card receipts | 80,377.68 | |
| Total Turnover | 113,714.88 | 113,714.88 |

Cost of Sales

| | | |
|----------------------------|------------------|--|
| Drinks | 47,738.13 | |
| Food | 1,407.06 | |
| Total Cost of Sales | 49,145.19 | |
| Gross Profit | 64,569.69 | |

| | | |
|---|------------------|------------------|
| Gaming Machine | 195.00 | |
| Machine Games Duty | (139.00) | |
| Pool table | 170.85 | |
| Rental of pool table and coffee machine | (404.63) | |
| Adjusted Gross Profit | 64,391.91 | 64,391.91 |

Employment Costs

| | | |
|-------------------------------|-------------------|--|
| Casual staff wages | 17,784.98 | |
| Direct Wages | 65,766.16 | |
| PAYE and NI | 23,172.63 | |
| Pensions Costs | 4,088.28 | |
| Total Employment Costs | 110,812.05 | |

Utility Costs

| | | |
|----------------------------|------------------|--|
| Rates | 196.80 | |
| Water | 2,237.41 | |
| Club Light, Power, Heating | 5,678.54 | |
| Total Gas Bill | 4,567.95 | |
| Total Utility Costs | 12,680.70 | |

Administrative Costs

| | | |
|--|------------------|--|
| Bar admin costs (tills, apps, terminals) | 4,914.42 | |
| Bar Expenses (gas for pumps, other) | 4,946.47 | |
| Bar licences | 377.50 | |
| Cleaning | 1,194.84 | |
| Insurance | 7,683.53 | |
| Repairs & Maintenance | 4,490.10 | |
| Satellite rental | 1,748.64 | |
| Stocktaking | 490.00 | |
| Telephone & Internet | 1,900.56 | |
| Waste | 2,067.71 | |
| Total Administrative Costs | 29,813.77 | |

Sports Costs

| | | |
|---|------------------|--|
| Grounds costs | 7,771.00 | |
| Consulting (changing room project) | 5,867.88 | |
| Rental cost - Hamsey Green Playing fields | 2,717.50 | |
| Sports heat light & power | 280.53 | |
| Total Sports Costs | 16,636.91 | |

| | | |
|--------------------------|-------------------|-------------------|
| Total Other Costs | 169,943.43 | 169,943.43 |
|--------------------------|-------------------|-------------------|

Other Generated Income

| | |
|-------------------------------------|------------------|
| Rental for telephone mast | 6,571.26 |
| Social membership subscriptions | 1,835.00 |
| Hall and ground lettings | 1,985.00 |
| Lottery and other income | 440.50 |
| Cricket section quota | 5,000.00 |
| Squash and Racketball Quota | 11,000.00 |
| Football quota | 11,000.00 |
| Total Other Generated Income | 37,831.76 |

Other Income

| | |
|------------------------------------|------------------|
| Football Foundation Grants | 5,500.00 |
| CJRS Grants | 39,968.78 |
| Business Interruption Grants | 38,553.94 |
| Sport England Community Fund Grant | 6,041.00 |
| Total Other Income | 90,063.72 |

| | | |
|--------------------------------|------------------|------------------|
| Surplus after 12 months | 22,343.96 | 22,343.96 |
|--------------------------------|------------------|------------------|

APPENDIX J

Rental Grant Subsidy Scoring Matrix for Warlingham Sports Association

| SCORE | 4 | 3 | 2 | 1 | 0 | Total | Comments |
|---|---|--|---|---|--|-------|---|
| SCORING CRITERIA | Excellent/Very Good | Good | Acceptable | Marginal | Undesirable | | |
| Intensity of use | Over 100 members or over 30 hours of use per week | Over 75 members or over 25 hours of use per week | Over 50 members or over 20 hours of use per week | Over 25 members or over 15 hours of use per week | Less than 25 members or less than 15 hours of use per week | 4 | Club has several hundred members including approx.300 football members and 70 cricket members. |
| Affordability | Free membership or free use | Membership rates or use/hire rates less than 60% of market rates and/or discounts available on grounds of financial hardship | Membership or use/hire rates at less than 75% of market rates | Membership or use/hire rates at less than 90% of market rates | No discount on market equivalents | 1 | Membership is in line with rates at other clubs. |
| Benefit to the wider community / diversity of users/extent of outreach work | Very wide variety of user groups and/or staff/volunteers carrying out outreach work. Multiple letters of support. | Wide variety of user groups and/or staff/volunteers carrying out outreach work. Several letters of support. | Some variety of user groups and/or staff volunteers carrying out outreach work. A few letters of support. | Limited variety of user groups and/or staff volunteers carrying out outreach work. One or two letters of support. | Only one user group and no outreach work | 2 | Four different sports on offer, various age groups. Activities for seniors and new mums curtailed due to Covid. |

| SCORE | 4 | 3 | 2 | 1 | 0 | Total | Comments |
|---|---|--|---|--|---|-------|---|
| SCORING CRITERIA | Excellent/Very Good | Good | Acceptable | Marginal | Undesirable | | |
| Are revenue/fund-raising opportunities maximised? E.g. grant funding sought, fund-raiser events undertaken, commercial opportunities maximised where possible e.g. bar income, hire of facilities when not in use for core purpose. | Opportunities are maximised wherever possible | Opportunities are often maximised | Opportunities are sometimes taken | Opportunities are occasionally taken | Opportunities are not taken | 2 | Fundraising takes place by each sport from time to time. Grant funding applications are made on a project by project basis to sporting bodies, SCC, TDC and parish council. Facilities at the main club are hired out and the bar generates income. However the facilities at Hamsey Green are basic. |
| To what extent do the group's activities align with TDC corporate priorities? | Very strong alignment with one or more priorities or strong alignment with more than one priority | Strong alignment with one priority or good alignment with more than one priority | Good alignment | Some alignment | Limited or no alignment | 3 | Strong alignment with Priority Outcome 1.5. Looking for opportunities to support better health & wellbeing for residents. |
| Does the group reduce TDC revenue costs e.g. by maintaining/repairing the asset and contributing to insurance | Yes, the group take full responsibility | Yes, the group pay the majority of costs associated with the asset | The group pay some of the costs associated with the asset | The group only pay a small percentage of the costs associated with the asset | The group do not pay any of the costs associated with the asset | 2 | The club currently pay for some internal repairs and maintenance and would be prepared to take on statutory compliance. |

| SCORE | 4 | 3 | 2 | 1 | 0 | Total | Comments |
|--|--|--|---|---|---------------------------|-------|--|
| SCORING CRITERIA | Excellent/Very Good | Good | Acceptable | Marginal | Undesirable | | |
| Does the group have financial reserves or fundraising targets? If so, are these earmarked for improvements to the facilities including improvement of environmental performance, flood resilience and/or biodiversity? | The group has plans for major improvements including environmental improvements and is accumulating funds to achieve this. | The group has plans for significant improvements and is accumulating funds to achieve this. The plans include some environmental improvements. | The group has plans for improvements including some environmental improvements but has not yet developed a plan to achieve these. | The group has plans for limited improvements and is accumulating funds to achieve this. | No plans for improvements | 1 | The club has no financial reserves, which was felt to be a weakness during Covid. The club intends to accumulate a rainy day reserve fund and utilise all surplus to improve facilities. No detail provided on Hamsey Green. |

Total score for Warlingham Sports Club - 15

Total possible score – 28

54%

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