



Meeting	Cabinet (Additional Meeting)
Date and Time	Thursday, 9th July, 2020 at 9.30 am.
Venue	This meeting will be held virtually and a live audio stream can be listened to via www.winchester.gov.uk .

Note: Owing to the ongoing Covid-19 pandemic and government guidance, it will not be possible to hold this meeting in person. The Council has therefore made arrangements under the Coronavirus Act 2020, and subsequent Regulations permitting remote meetings, to hold the meeting virtually. If you are a member of the public and would like to listen to the audio stream of the meeting you may do so via www.winchester.gov.uk

AGENDA

- 1. Apologies**
To record the names of apologies given.
- 2. Membership of Cabinet bodies etc.**
To give consideration to the approval of alternative arrangements for appointments to bodies set up by Cabinet or external bodies, or the making or terminating of such appointments.
- 3. Disclosure of Interests**
To receive any disclosure of interests from Members and Officers in matters to be discussed.
Note: Councillors are reminded of their obligations to declare disclosable pecuniary interests, personal and/or prejudicial interests in accordance with legislation and the Council's Code of Conduct.
- 4. To note any request from Councillors to make representations on an agenda item.**
Note: Councillors wishing to speak about a particular agenda item are required to register with Democratic Services three clear working days before the meeting (contact: democracy@winchester.gov.uk or 01962 848 264). Councillors will normally be invited by the Chairperson to speak during the appropriate item (after the Cabinet Member's introduction and questions from other Cabinet Members).



BUSINESS ITEMS

5. Public Participation

– to note the names of members of the public wishing to speak on general matters affecting the District or on agenda items

NB members of the public are required to register with Democratic Services three clear working days before the meeting (contact: democracy@winchester.gov.uk or 01962 848 264).

Members of the public and visiting councillors may speak at Cabinet, provided they have registered to speak three working days in advance. Please contact Democratic Services **by 5pm on Friday 3 July 2020** via democracy@winchester.gov.uk or (01962) 848 264 to register to speak and for further details.

6. Leader and Cabinet Members' Announcements

7. Proposals for new Garden Waste service (Pages 5 - 18)

Key Decision (CAB3234)

8. Housing Revenue Account (HRA) 2019/20 Outturn (Pages 19 - 38)

Key Decision (CAB3241)

9. Quarter 4 Financial & Performance Monitoring (Pages 39 - 94)

Key Decision (CAB3246)

10. To note the future items for consideration by Cabinet as shown on the August 2020 Forward Plan. (Pages 95 - 98)

Lisa Kirkman
Strategic Director: Resources and Monitoring Officer

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1 July 2020

Agenda Contact: Nancy Graham, Senior Democratic Services Officer
Tel: 01962 848 235, Email: ngraham@winchester.gov.uk

**With the exception of exempt items, Agenda, reports and previous minutes are available on the Council's Website www.winchester.gov.uk*

CABINET – Membership 2020/21

Chairperson: Councillor Thompson (Leader and Cabinet Member for Communications)

Councillor Cutler (Deputy Leader and Cabinet Member for Finance and Risk)

Councillor	-	Cabinet Member
Ferguson	-	Cabinet Member for Local Economy and Climate Emergency
Learney	-	Cabinet Member for Housing and Asset Management
Porter	-	Cabinet Member for Built Environment and Wellbeing
Prince	-	Cabinet Member for Sport, Leisure and Communities
Tod	-	Cabinet Member for Service Quality and Transformation

Quorum = 3 Members

Corporate Priorities:

As Cabinet is responsible for most operational decisions of the Council, its work embraces virtually all elements of the Council Strategy.

Public Participation at virtual meetings

Representations will be limited to a maximum of 3 minutes, subject to a maximum 15 minutes set aside for all questions and answers.

To reserve your place to speak, you are asked to **register with Democratic Services three clear working days prior to the meeting** – please see public participation agenda item below for further details. People will be invited to speak in the order that they have registered, subject to the maximum time period allowed for speaking not being exceeded. Public Participation is at the Chairperson's discretion.

Filming and Broadcast Notification

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Terms Of Reference

Included within the Council's Constitution (Part 3, Section 2) which is available [here](#)

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CAB3234
CABINET

REPORT TITLE: PROPOSALS FOR NEW GARDEN WASTE SERVICE

9 JULY 2020

REPORT OF CABINET MEMBER: Cllr Martin Tod Cabinet Member for Service Quality and Transformation

Contact Officer: Campbell Williams Tel No: 01962 Email
cwilliams@winchester.gov.uk

WARD(S): ALL

PURPOSE

The report sets out the details of a new garden waste collection service to be introduced from February 2021. The existing sack based collection service will end and will be replaced by an improved service which will include a choice of wheeled bins offered to householders who wish to participate. There will be an annual charge which includes the supply of the bin and fortnightly kerb side collection. The new service offers the benefit of greater capacity and improved storage of garden waste between collections and will be easier and safer to handle for householders and bin collection staff. It therefore provides a real benefit to those households which wish to subscribe. The additional capacity of the wheeled bins mean that those properties which generate substantial quantities of garden waste will be able to save on visits to recycling centres. The council faces significant pressures on its waste collection budget as a result of changes being made by Hampshire County Council and this new service offer is essential to help the city council to control its budget on a long term basis.

RECOMMENDATIONS:

That Cabinet:

1. Approves the introduction of a new garden waste collection service from households which pay an annual charge to replace the existing free service to all households, as described in the report.
2. Agrees that the annual charge in the first year of the service is set at £39 for those choosing a 140 litre wheeled bin and £59 for those choosing a 240 litre wheeled bin.

3. That for those households (and only those households) which are currently permitted to use an alternative method of presenting their household waste a charge of £39 for two 90litre sacks or £59 for three 90litre sacks is made for the collection of garden waste.
4. Authorises the Strategic Director (Services) to take all steps necessary to procure, award, negotiate heads of terms and enter into contract and / or contract variations, notifications and other steps necessary to implement the new service and remove the existing service.
5. Authorises capital expenditure of up to £400k for the purchase of the new garden waste bins.
6. Agrees that the new service should commence on or around 1st February 2021.

IMPLICATIONS:1 COUNCIL PLAN OUTCOME

1.1 Tackling the Climate Emergency and Creating a Greener District:

Green waste recycling makes an important contribution to the council's recycling performance. More than half of the local authorities in England have replaced free household collections with a charged service. None appear to have reported any dramatic decline in collection rates although small reductions have occurred. It is worth noting that the top three performing waste collection authorities in terms of recycling rates, that have a green waste service all have a charged for green waste service. The key to achieving this is to ensure that the charged service is perceived as 'value for money' by those households which generate the major fraction of garden waste and that they sign up, the service is run efficiently, and subscriptions are maintained.

1.2 Your Services, Your Voice:

Free kerbside collection of garden waste has been offered by the council for over a decade. Many householders clearly regard it as an integral part of the household waste collection service and there will be some adverse comment on the move to a charged service. However, in view of the financial implications of introducing a charge for collections, about which the council is being transparent, and the improved service which will be offered to those householders who take up the option, the experience of other authorities who have introduced charging is that it is accepted (albeit reluctantly) as a reasonable measure and that it is in the long term benefit of residents.

2 FINANCIAL IMPLICATIONS

2.1 In February 2020, the city council set a budget which reflected a decision by Hampshire County Council to reallocate some of its costs to those authorities across Hampshire which collect waste, including payment of recycling credits, at a net cost to the City Council of over £500,000 per annum.

2.2 In response to this and other very significant financial pressures facing the Council, the budget also included a "charged for" enhanced garden waste collection service with a target of operating this at no net cost.

2.3 These pressures have increased further in recent months as the Council has experienced very serious and significant losses of income it had anticipated from a range of services. This has resulted in a forecast deficit for 2020/21 of between £8m to £12m.

2.4 The council's contract for waste collection was tendered last year and Biffa, the council's existing contractor, was the successful bidder. The new contract is scheduled to commence at the end of September 2020 and run for eight

years. The cost of the free garden waste collection service within the new contract would be approximately £900,000 per annum and this will increase annually. This equates to approximately £16.70 for every household in the district, including those which cannot use the service as they have no garden. In current financial circumstances it is not considered sustainable to spend £900,000 per annum on providing this service. An improved service based on a separate charge to those householders who wish to participate will reduce budget pressures in a fair and justifiable way.

- 2.5 The terms of the new service must be agreed with the contractor as described below so as to ensure that they suffer no detriment to the financial offer made in their tender for the new contract. This is explained further in subsequent sections.
- 2.6 The procurement of the necessary wheeled bins will require one-off capital expenditure of up to £400,000 based on the targeted estimate of 18,000 households taking up the service. This will be funded by the capital receipts reserve and can be 'repaid' over a ten year period which is the average life span of a wheeled bin, effectively adding £40,000 per annum to the service cost.
- 2.7 Within their tender for the new contract Biffa provided a cost for the existing free service based upon providing sufficient resources to visit every property which has been issued with a free garden waste bag, although it is believed that the presentation rate (i.e. the number of properties which actually use the service in any given time) is between 50 and 70%, representing approximately 33,000 households at its busiest, with some households presenting more than one sack. The cost of operating the new service will depend upon the number and distribution of the properties which sign up and this will determine the level of resource needed to provide the service. It is considered prudent to work on the basis that the full level of resource as tendered will still be required but if it is not, the council will be able to reallocate any 'surplus' to other waste collection activities within the contract, such as additional bring site collections for example.
- 2.8 Allowing provision for the revenue costs of procuring/delivering wheeled bins and for administering the service on annual basis, overall costs to the Council will be in the region of £1m per annum. There will be additional costs in the first year to set up systems and promote the new service the cost of which can be met from existing budgets. This report recommends a charge per household for the improved charged for service of £39 for a 140litre bin and £59 for a 240litre bin. Depending on the participation rate (including those households which buy a second/third bin) and the ratio of higher to lower size bins this charge would be sufficient to cover the Council's operating costs at approximately 18,500 participating households. This is a relatively high number but even if this is not achieved in the first year of operation there will still be a significant saving in total cost compared to total cost.

- 2.9 As it is possible that the target of off-setting the whole cost not will be achieved immediately resulting in not all operating costs being met at least in the first year of the service it is proposed to amend the Medium Term Financial Strategy (MTFS) to reflect a net cost to the council in 2021/22 of £250,000 rather than zero.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 Green garden waste is not included in the definition of 'household waste' within the terms of the Environmental Protection Act 1990. Local authorities are not, therefore, required to provide a kerbside collection of garden waste under this legislation. Local authorities are also explicitly permitted to make a charge for the collection of garden waste if they choose to provide a kerbside collection (The Controlled Waste (England and Wales) Regulations 2012). There is therefore no doubt that the introduction of a charged for service in lieu of the current free collection is permissible.
- 3.2 The government has previously consulted on a suggestion that it will fully fund a free garden waste collection to all households as part of a consistent package of recycling collections across England. This would be very costly for central government and there is no indication that this option will be pursued. If the government did provide funding for a universal free of charge service in the future, there would be no practical difficulty in rolling out the improved service free of charge to all households.
- 3.3 The council tendered the new waste collection contract with specific variation clauses drafted on legal advice which put all tenderers on notice that the council might introduce a charged for service at some point either before the commencement of the contract or during its operation. There is therefore no doubt that the variation of the contract in this matter is permissible, but of course the terms must be consistent with the financial proposals of the winning contractor, which is Biffa. The council cannot simply delete the garden waste service without providing for the financial consequences of this to the contractor. These are managed by the substitution of the charged for service on the basis agreed.
- 3.4 The new service will require the provision of a large number of new wheeled bins to householders. These will need to be procured on an 'at risk' basis in that the number procured will be an estimate of the quantity required based on an estimated take up rate. It is likely that a suitable framework agreement exists so that a compliant procurement can be carried out without the need for a full tendering exercise.

4 WORKFORCE IMPLICATIONS

- 4.1 A project team will plan and deliver the roll out of the new service, and then continue to manage any changes to membership in future years. There are no other workforce implications on a long term basis.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 Biffa operate from a depot in Bar End and this service can be accommodated in that location.

6 CONSULTATION AND COMMUNICATION

- 6.1 The proposals for a charged garden waste collection service was detailed in the council's budget papers in February 2020. A member briefing was held on 24 June and the matter considered by the policy committee on 7th July. A verbal update will be provided at the meeting of any comments made by the policy committee

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 The garden waste collected at kerbside and the garden waste which is presented at household waste recycling centres is composted by the county council's waste disposal contractor and turned into a compost material which is sold as a soil improver. Although home composting is the most sustainable approach, this county wide solution provides a re-use solution for those with gardens that produce more green waste than can feasibly be composted and for those who choose not to home compost garden waste
- 7.2 The collection of garden waste contributes to the council's recycling performance figures and any reduction in garden waste volumes will affect these. However, because garden waste represents only a proportion of total recycling volumes even a relatively large percentage reduction in collections would have only a modest impact on the reported recycling rate, perhaps up to 5% overall. The actual reduction is difficult to predict but many councils have switched to a charged service and none has been identified which has reported any dramatic fall in collection volumes. A reduced kerbside collection rate will generally mean that more green waste is being home composted or taken to the household waste recycling centres. Fly-tipping of small quantities of household green waste is not a major problem and is not expected to increase significantly.

8 EQUALITY IMPACT ASSESSEMENT

- 8.1 An Equalities Impact Assessment has been prepared and will be available on the council's website. There are not considered to be any adverse impacts on protected groups. As with the use of wheeled bin for refuse and recycling, a back door collection will be available for residents unable to present their bin at the kerbside. The policy of charging for green garden waste collection, insofar as it protects services which can only be funded from taxation or government grant can be said to be fairer because only those who benefit from the service will be required to pay towards it. Householders in groups of

small properties who might not consider that they need a bin of their own will be encouraged to club together informally to subscribe for one or more bins which they share on an informal basis.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 The implementation of a charged for garden waste service will require what are expected to be large numbers (i.e. tens of thousands) of householders to provide data or the permission to use data to the council. This will therefore require careful and appropriate systems to be in place to ensure the security of data and its processing in accordance with relevant legislation. This will be managed as part of the system design and implementation process.

10 RISK MANAGEMENT

- 10.1 A project of this nature has two 'layers' of risk. Firstly there is the delivery of the project i.e. to ensure that the new service is implemented on time with all of the necessary infrastructure for success. Secondly there is the risk associated with the project itself i.e. whether the project will turn out to deliver the intended outcomes. Although the two are linked, they are not the same and it is important to distinguish between them.
- 10.2 In terms of the intended outcome, the first and foremost of these is that the council achieves the saving intended on an annual basis. This will only be possible if full cost of the garden waste collection service is covered by the income received from householders signing up to the service. This, in turn, is a function of the perceived value and willingness to participate based on the price and the service offered. These are described later in the report and are a matter of judgement for Cabinet based on the advice provided in the report.
- 10.3 In relation to the project delivery the risks are set out in the table below:

Risk	Mitigation	Opportunities
<i>Property</i>		
<i>None</i>		
<i>Community Support</i> <i>Project delivery does not require any aspects of community support (noting these comments in Para 10.2 above) however take up and implementation will be higher and more effective with a degree of community recognition of</i>	Provide full and clear explanation of why the council finds it necessary to implement a charged for system and shows how the charges have been set. Design an easily understood mechanism for householders to sign up	The proposed new service to householders does provide real improvements over the existing service and there is therefore the opportunity to promote some real value attached to the requirement to join a paid for service.

<p><i>why the change is necessary and the charge for service is justified and value for money.</i></p>	<p>for the system. Provide best possible system for sign up</p>	
<p><i>Timescales</i> <i>There are several milestones which have to be met in order for the service to be ready to deliver from February 2021. In particular the systems to promote and sign up householders must be ready by September 2020. The impact of the response to COVID-19 adds a layer of uncertainty.</i></p>	<p>Ensure that operation and promotion of the scheme is conducted on line as much as possible.</p>	<p>Likely that the new contract start date will be put back, in order to fit around availability of vehicles, which are being delayed due to COVID 19. This gives opportunity to start new contract on same day as green waste changes, so other changes inc WEEE collection start at the same time</p>
<p><i>Project capacity</i> <i>The project requires leadership and professional support in a number of areas. These will have to be provided within existing staff capacity. At present the impact of COVID-19 would not prevent sufficient capacity being provided, but at the time of writing this represents an additional risk over normal</i></p>	<p>Ensure sufficient resource provided within project team to meet project milestones</p>	
<p><i>Financial / VfM</i> <i>The project itself can be implemented within existing resources providing these remain relatively consistent</i></p>	<p>Ensure that decision making takes full account of financial implications. To make the full saving required the council may have to convert up to 23,000 households from a free to a charged service, representing approximately 45% of</p>	

	<p>households which can currently utilise the free service. This is a challenging target but similar rates of take up have been achieved elsewhere. If the total income generated from the charged for service is less than the collection cost payment to the contractor this will represent a shortfall in the savings target, but a saving will still have been achieved which would not otherwise have been possible.</p> <p>It is proposed to amend the MTFS for 2021/22 to reflect potential additional costs in the first year.</p>	
<p><i>Legal</i></p> <p><i>Provided that the project can be implemented with support from the contractor is considered that there are no major legal risks associated with the project</i></p>		
<p><i>Innovation</i></p> <p><i>The project is a new activity for Winchester but many other local authorities have already made a transition from free to a charged for service and therefore there is a large amount of information available about success criteria</i></p>		
<p><i>Reputation</i></p> <p><i>It is important that all aspects of the service to the householder including</i></p>	<p>Ensure sufficient communication with householders with open and effective messages and explanations as to the</p>	

<i>communications, transactions and service provision are delivered effectively to ensure confidence</i>	reason why charges are necessary and to show how they have been calculated.	
<i>Other</i>		

11 SUPPORTING INFORMATION:

- 11.1 At the meeting of full Council on February 26th 2020 a budget was approved which incorporated an assumption regarding the replacement of the existing free kerbside garden waste collection service with a charged for service provided only to those householders signing up and paying to receive this collection. As set out above the council is permitted to charge for the collection of garden waste, and more than 60% of local authorities now provide a paid for service and this number is increasing steadily as the costs of providing a free service become unsustainable.
- 11.2 The cost of the free service would run to over £900,000 per annum in the course of the new contract starting at the end of September 2020. The Medium Term Budget Strategy, approved before the COVID-19 crisis, clearly demonstrates that this is not sustainable given the budget pressures on the council. The introduction of a charged service enables the council to offer an improved service at a reasonable cost to householders who wish to use it. Householders who have no need for a service will no longer pay anything towards a service from which they do not benefit.
- 11.3 The details of the proposed new service are as follows:
- a) The service to consist of 25 collections at fortnightly intervals with the annual cycle starting at the beginning of February each year. No collection will be provided in the first cycle after Christmas to allow the contractor to devote all available resources to collecting dry mixed recycling and Christmas trees. There is also little demand for the service at this time of year.
 - b) The service to operate on the basis of one annual payment collected in advance. The payment to purchase one year's service to the property and no refunds will be made if the householder wishes to terminate the service part way through for any reason. Householders may join part way through a year but at the full year rate. A direct debit option for a single annual recurring payment will be offered as soon as the council's e-commerce platform allows for this.
 - c) Payments to be made on-line or by card only with no cash or cheque option with direct debit payments to be promoted.
 - d) Householders signing up to the service to be provided with a wheeled bin of either 140 litres or 240litres depending on their choice of bin size.

The bin itself to remain the property of the council and to be replaced at no charge to the householder if it is lost or damaged in normal use.

- e) Householders permitted (indeed encouraged) to purchase more than one subscription (i.e. a second or third bin collection), each at the same rate. The use of a single bin by more than one household will also be permitted.
 - f) No discounts to be offered but a suitable one-off arrangement to be made to offset the payment made by householders who have purchased a second or third garden waste sack before the date of this report.
 - g) No option for householders to use their existing sacks to participate in the service. However, those households (and only those households) which do not use wheeled bins for presenting residual or recycling waste due to storage or access issues will be permitted to continue to use sacks on a chargeable basis if a wheeled bin is unsuitable. All householders will be permitted to keep the sacks currently issued for their own use as there is no value to the council in collecting them.
 - h) That the council operate the payment platform and customer database.
- 11.4 The annual price for the service is clearly the most sensitive and difficult judgement to make. The number of householders who sign up for the service is critical and will, in part, be determined by their sensitivity to the price proposed for the service offered.
- 11.5 The new service based on a wheeled bin will have significant added value over the existing sack based system. Storage capacity is significantly more than that of the existing sack, the wheeled bin contains waste more effectively and keeps it dry. Manoeuvring the bin will be easier for most people than lifting a sack full of material. Providing a choice of bin size will enable more households to participate, and if householders wish to share a bin then this will be allowed.
- 11.6 The contractor, Biffa, tendered for the contract with the knowledge that the council might decide to move to a charged for scheme. The precise cost of operating the charged scheme will depend on the number of properties participating but the contractor's costs including overheads and profits still have to be met at the tendered amount. Biffa has offered a tiered charge to the council based on numbers of participants which shares risk to a modest degree, but it is recommended that the most straightforward way to proceed is for the council to maintain the tendered payment for the service and to base pricing decisions to ensure cost recovery on this sum. The key judgement therefore becomes the estimate of total income generated as a multiple of the charges set and the number of households participating.
- 11.7 Comparison with other similar authorities (with the usual caveats regarding the fact that all localities are to some extent different) give an indication of the

acceptability of pricing to the public and resulting take up rates. Charges are generally in a range between £35 and £70 per annum for a wheeled bin based service with participation rates of between 30% and 40% of households, although higher rates are also reported. Where participation rates are high, volumes of garden waste collected are also high, and there is no obvious correlation between charging and recycling performance. For example, in Hampshire, Hart collects a similar volume of garden waste to Winchester but charges £48.88 for a 140litre bin and £73.32 for a 240litre bin with a £32.59 set up charge in each case.

- 11.8 Based on this information and assessment it is proposed that the annual charge in the first year be set at £39 for a 140 litre wheeled bin with the option of a larger 240litre bin at £59. This will include the delivery of a wheeled bin of the chosen size to the householder. At these price points, the number of households signing up would need to be between 15,000 and 23,000 (depending on the proportion of householders choosing which option and how many people choose to purchase more than one bin) in order to achieve full cost recovery. At the upper end this would represent a participation rate of approximately 50% of households which would be at the high end of what has been achieved elsewhere.
- 11.9 The charge made by other Hampshire local authorities which charge for garden waste collections (which is all of them except Fareham) as shown in the table below:

Local authority	First Time Charge for Bin/Set up (£)	Collection Charge (£ at start of 2020/2021)	Bin size/options
Basingstoke	28.71	48.41	240l
Hart	32.59	48.88 73.32	140l 240l
Rushmoor	0	42.00	240l
Test Valley	25.50	35.00	240l
East Hants	30.00	70.00	240l
Havant	0	44.00 65.00	140l 240l
Gosport	0	60.00	240l
Eastleigh	0	39.00	240l
New Forest	0	35.00	All NFDC collections

			are sack based
Southampton	0	47.50	140l
		50.00	240l
Portsmouth	0	45.39	240l

- 12 Implementing the new service will require some significant IT work to prepare the council's website to accommodate on-line transactions and to interface data with the contractor's IT system being provided with new vehicles for the contract. There is some additional risk in this work over and above what would have been expected as the timetable for the manufacture and therefore the acquisition of new vehicles has been affected by the COVID-19 emergency and some delays are likely to be experienced in bringing them on stream. This will have to be managed and Cabinet will be advised if it is likely to result in any material impact on implementation of the new service. The collections would ideally operate on the same day as the existing green bag service but changes may be necessary to balance the collection rounds, so there is minimal risk about confusion over collection days changing.
- 13 As mentioned earlier, project planning and scheduling can proceed on the basis that householders will sign up for and pay for the new service between September and December 2020 and the new service will operate from the beginning of February 2021.
- 14 OTHER OPTIONS CONSIDERED AND REJECTED
- 14.1 The council has already resolved to include a new, charged for garden waste service as part of the budget setting process at the meeting of the full Council on 26th February 2020 and this report is required to implement that decision. No other options have therefore been considered in the preparation of this report, although there has been extensive consideration of the different aspects of operating the new service and charges set accordingly.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

None

Other Background Documents:-

None

APPENDICES:

None

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CAB3241
CABINET

REPORT TITLE: HOUSING REVENUE ACCOUNT (HRA) OUTTURN 2019/20

9 JULY 2020

REPORT OF CABINET MEMBER: CLLR KELSIE LEARNEY – CABINET MEMBER FOR HOUSING AND ASSET MANAGEMENT

Contact Officer: Dick Johnson Tel No: 01962 848136 Email Djohnson@Winchester.gov.uk

WARD(S): ALL

PURPOSE

This report provides an update to members on the financial performance of the Housing Revenue Account (HRA) in 2019/20 and the associated HRA capital programme. It also requests approval for revised budget forecasts to the 2020/21 HRA budget and capital programme to reflect updated costs and take account of capital programme slippage

RECOMMENDATIONS:

That Cabinet

1. Notes the HRA Outturn figures for 2019/20 as detailed in Appendices 1 and 2;
2. Approves the carry forward of £0.050m from 2019/20 as detailed in Paragraph 11.4;
3. Notes the Housing capital programme outturn for Major Works and New Build developments as detailed in Paragraphs 11.5 to 11.8 and Appendices 3 & 4;
4. Approves the funding of the 2020/21 HRA capital programme as detailed in Paragraph 11.9 & 11.10 and Appendix 5;
5. Approves the re-forecast capital programme budget of £36.051m for 2020/21 as detailed in Paragraphs 11.12 & 11.13 and Appendix 6 & 7;

IMPLICATIONS:1 COUNCIL PLAN OUTCOME

- 1.1 Providing good quality housing and new affordable homes is a strategic priority for the Council. Effective management of the resources available to the Council enable it to take advantage of new opportunities and ensure that satisfaction levels remain high amongst tenants in relation to their home and community. In particular
- 1.2 Tackling the Climate Emergency and Creating a Greener District
- a) Carbon Neutrality measures will be implemented across existing housing stock and include within the design and construction of new properties, and feasibility considered in the purchase of any substitute properties
- 1.3 Homes for all
- a) Assist with the increase of housing property stock across the Winchester district
- 1.4 Vibrant Local Economy
- a) Deliver affordable accommodation that allows people to live and work in the community and contribute to the local economy.
- 1.5 Living Well
- a) The wellbeing of residents are considered within the design of new properties and any substitute properties will be viewed accordingly.
- 1.6 Your Services, Your Voice
- a) Housing tenants are directly involved in decisions regarding service provision, both through the work of TACT and through regular digital engagement processes. The service continues to review options to provide an improved customer experience, increase opportunities for digital engagement and to ensure satisfaction with services provided by the Council remains high.

2 FINANCIAL IMPLICATIONS

Full details are included in paragraph 11 but, briefly, the Council achieved a net surplus of £1.356m in the HRA for 2019/20, which increases the HRA general balance from £11.766m to £12.982m.

- 2.1 In addition it is proposed to carry forward to 2020/21 £0.050m of unspent revenue budget from 2019/20 to support the final stages of the Housing Company set up process. Further details are provided in Paragraph 11.

2.2 Total expenditure in the Housing capital programme for 2019/20 was £22.731m, some £7.163m lower than the revised forecast prediction of £29.894m. The original budget for the year was £31.453m but was revised due to a change in the timing of new build developments, some of which will commence in 2020/21.

2.3 It is proposed to carry forward to 2020/21 £7.038m of capital budget slippage from 2019/20. In addition reprofiling of scheme spend for Winnall Flats will result in a reduction of £6.751m in the original approved budget for 2020/21, and a new item of spend is now included for Emmaus House where the Council has subsequently approved a grant of £0.050m. Further details are again provided in paragraph 11.

3 LEGAL AND PROCUREMENT IMPLICATIONS

3.1 The Council, as a local housing authority, is required to maintain a Housing Revenue Account (HRA) with a positive working balance and keep borrowing levels within prudential rule guidelines, in accordance with s74 of the Local Government & Housing Act 1989 (the "1989 Act") prohibiting the Council to operate its HRA at a deficit. Effective management of the HRA is necessary to ensure that statutory requirements are met. The proposed balanced budget meets this obligation.

3.2 HRA capital projects will be in compliance with the Council constitution which includes that a project with costs in excess of £250,000 will be subject to a financial appraisal, Financial Procedure Rules.

4 WORKFORCE IMPLICATIONS

4.1 None.

5 PROPERTY AND ASSET IMPLICATIONS

5.1 In order to meet one of the key principles of the Council's strategy, the HRA is required to provide sufficient financial resources to both maintain the Council's existing housing stock to decent homes standard and to enable new affordable housing to be built to help meet local demands.

6 CONSULTATION AND COMMUNICATION

6.1 The paper will be circulated to TACT to note and for their information when the next meeting is scheduled in September.

7 ENVIRONMENTAL CONSIDERATIONS

7.1 The Housing Service considers environmental and ecological factors when developing new build properties and preparing major works plans including estate improvements, working closely with planning officers and the Council's Landscape Team where appropriate. Additional costs for meeting these responsibilities are included in project appraisals and scheme budgets.

8 EQUALITY IMPACT ASSESSEMENT

8.1 There are no equality issues arising from this report as council housing policy includes an assessment of the public sector equality duty at each point of a decision.

9 DATA PROTECTION IMPACT ASSESSMENT

9.1 None required.

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
<i>Property That Council owned dwellings fail to meet decent home standards</i>	An effective programme of future works and sound financial planning ensures that these standards are met and then maintained.	
<i>Community Support Lack of consultation will affect tenant satisfaction and cause objections to planning applications for new build developments.</i>	Regular communication and consultation is maintained with tenants and leaseholders on a variety of housing issues. The Council consults with local residents and stakeholders on proposed new build schemes.	Positive consultation brings forward alternative options that may otherwise not have been considered.
<i>Timescales Delays to new build contracts may result in increased costs and lost revenue. Delays to major works may result in the loss of decent home status for individual properties.</i>	New build contracts contain clauses to allow the Council to recover damages if the project is delayed due to contractor actions. Continual updating of asset management plans and major works budgets allows potential issues to be addressed quickly.	
<i>Project capacity The HRA can borrow funds in addition to utilising external receipts and reserves but it must be able to service the loan interest arising and repay</i>	Regular monitoring of budgets and business plans, together with the use of financial assessment tools enables the Council to manage	The Council monitor's government announcements on the use of RTB receipts and potential capital grant funding.

<p><i>debt in the future.</i></p> <p><i>Staffing resources (not always in Housing) reduce the ability to push forward new schemes at the required pace.</i></p>	<p>resources effectively.</p> <p>Staffing resources have been reviewed to support the delivery of the enhanced new build programme.</p>	
<p><i>Financial / VfM Risks, mitigation and opportunities are managed through regular project monitoring meetings</i></p>	<p>New build Schemes are financially evaluated and have to pass financial hurdles and demonstrate VFM</p>	
<p><i>Legal</i></p> <p><i>The provision of social housing is a statutory requirement. Changing Government priorities place a greater emphasis on social housing which must be monitored and considered within planning of future new build projects.</i></p>	<p>Government statutory requirements and policy changes are being monitored to identify any new risks or opportunities that they may bring.</p>	<p>To create new housing developments within new guidelines and drawing on innovative thinking.</p>
<p><i>Innovation</i></p> <p><i>The creation of a Housing Company to support the new build programme is introduced without reference to existing rules and consents.</i></p>	<p>External legal and business planning advice has been sought to ensure the Council has the most appropriate and effective solution and that any developments are only undertaken if they are financially viable.</p>	<p>A Housing Company has the potential to increase the available supply of affordable housing to support our residents.</p>
<p><i>Reputation</i></p> <p><i>Failure to complete major housing projects due to lack of resources would have a direct impact on both customer satisfaction and the Council's reputation.</i></p>	<p>Business planning tools with regular updates are utilised to make sure resources are available to complete projects.</p>	
<p><i>Other – None</i></p>		

11 SUPPORTING INFORMATION:

HRA Outturn 2019/20

Details of the 2019/20 financial performance are analysed in Appendix 1 (subjective summary) and Appendix 2 (service summary).

- 11.1 Overall, the HRA produced a surplus of £1.356m. The outturn surplus is £1.216m higher than the £0.139m revised forecast budget prediction (CAB3214).
- 11.2 Within the subjective summary (Appendix 1), the material variances were:
- a) Employees - £0.162m under. This is largely due to the level of vacant posts arising during the year.
 - b) Premises - £0.155m over This is down to a number of factors including budgets not reflecting current need for sewage £60k and cyclical maintenance £80k, as well as utility bills in Temporary accommodation. These will be reviewed as part of the MTFS
 - c) Other Costs - £0.509m under. This is also due to a number of factors the most material being an under spend in other professional services & consultancy fees of £0.360m, a compensation payment received of £0.440m in respect of Victoria Court, the capitalisation of New Build Programme Support staff £0.269m, partly offset by increased recharges to the HRA of £0.364m.
 - d) Depreciation on Fixed Assets - £0.239m. Depreciation is an estimate based on the prior year; actual depreciation is affected by a number of factors such as the annual valuation of the council's housing stock and will therefore vary from forecast.
 - e) External Income - £0.119m under. This variance is largely due to the anticipated outturn in February not taking account of the transfer of garages to the GF, and of higher void levels affecting dwelling rents and garages, this was offset by the compensation payment received in respect of Victoria Court £440k.
 - f) Capital expenditure funded by HRA - £0.219m under. This is as a result of slippage on the capital programme in 2019-20 and a reduction in the capital financing requirement.
- 11.3 Within the service summary (Appendix 2), the material variances were:
- a) HRA General - £0.252m under. This is mainly due to the underspend on the other professional services & consultancy fee budget £0.360m, the compensation payment £0.440m offset by increased HRA recharges of £0.364m

- b) The New Build Programme Support staff – under £0.303m the capitalisation of the new homes team £0.269m, as mentioned in 11.2(c) above.
- c) Sheltered Housing – £171k over. Is predominantly be attributed to several budgets not accurately reflecting the current activity £120k, which will be addressed in the MTFs. In addition, some costs for the previous financial year 2018/19 £42k had been accounted for in the 2019/20 budget. This issue will be addressed moving forward through year end staff training on accruals. There was also a business need for agency cover during the year £25k due to unforeseen circumstances which resulted in a unbudgeted expense
- d) Depreciation of Fixed Assets - £0.254m over. Depreciation is an estimate based on the prior year; actual depreciation is affected by a number of factors such as the annual valuation of the council's housing stock and will therefore vary from forecast.
- e) Capital expenditure funded by HRA - £0.219m under. This is as a result of slippage on the capital programme in 2019-20 and a reduction in the capital financing requirement.

11.4 HRA Revenue Carry Forwards from 2019/20 to 2020/21

The only proposed HRA Revenue Carry Forward from 2019/20 to 2020/21 is £0.050m underspend from the other professional services & consultancy fee budget to support the Housing Company setup costs during the final company setup phase.

11.5 HRA Capital Programme Outturn 2019/20

11.6 Appendices 3 & 4 detail the expenditure in 2019/20 for both the Housing Services and New Build capital programmes against both the original budget and latest forecast position.

11.7 Within Housing Services (Appendix 3), £6.089m was spent against a latest forecast of £8.318m, a favourable variance of £2.229m on the year.

The material variances were as follows:

- a) Major Repairs - £0.962m under.
 - a.1) External Envelope Works – £0.269m under. Largely down to ongoing delays and disruption caused by ecology constraints;
 - a.2) External ground Works – £0.104m under. Budget is demand driven and demand was lower than anticipated;

a.3) External Window/Door/Screens- £0.067m under. The result of two factors, requests for front/ back doors was significantly down and Thurmond communal screens were delayed;

a.4) Internal Structure and Finishes – £0.138m under. The budget is demand driven and demand was lower than anticipated;

a.5) Kitchen and Bathroom Renewals – £0.074m under. The budget is demand driven and the spend is dependent upon a combination of refusal rates and voids;

a.6) Mechanical and Electrical services – £0.310m under. Largely down to a combination of poor access rates on electrical testing and high refusal rates on c/h distribution upgrades;

b) Other projects - £1.000m under. We are currently awaiting the findings of the Hackett review into building regulations and fire safety and that will inform our future priorities and work programme

11.8 For the New Build capital programme (Appendix 4), £16.642m was spent against a latest forecast of £21.576m, a favourable variance on the year of £4.934m.

The material variances were as follows:

- a) The Valley - £3.519m under. Programme was delayed due to issues with Southern Water and SSE agreeing and installing water and electricity supplies. Work stopped on site mid-March due to Covid 19 which reduced final 19/20 monthly valuation.
- b) Mayles Lane - £0.227m under. Release of contractor retention payment delayed due to Covid 19 restrictions which prevented inspection of properties)
- c) Woodman Close - £0.053m under. Delays in progressing scheme to a planning application due to sewerage capacity issues of local treatment plant. Planning application is programmed for December 2020 (subject to Member approval).
- d) Hookpit - £1.390m under. Start on site delayed due to footpath re-routing issues with Hampshire County Council. Now resolved and work commenced.
- e) Southbrook Cottages - £0.038m over (New scheme). Initial architectural and survey work commissioned for Passive house scheme. Planning application is programmed for October 2020 (subject to Member approval)
- f) Corner House - £0.538m over (New scheme). Property purchase with RTB receipts and initial architect options commissioned.

- g) Sheltered Housing Conversions - £0.106m under. This is largely as a result of issues with the calculation of the Nitrate Neutrality costs which are currently delaying one of the projects the conversion of the common room at Chiltern Court, whilst the other the conversion of the common room at Simmonds court is under way.
- h) Small sites/unallocated programme – £0.600m under, no suitable schemes identified due to staff resources required for larger schemes.

11.9 HRA Capital Programme Funding

11.10 Appendix 5 details the actual funding for the capital programme in 2019/20. The funding requirement for the year was £7.163m less than previously identified in the latest forecast budget. The Housing Services programme was underspent by £2.064m, with the New Build capital programme being £4.934m underspent. With the capital funding requirement being reduced it has meant that the predicted £6.000m of new HRA Borrowing has not been required in 2019/20. The HRA has benefited from the £1.754m acquisition payment from the general fund in respect of the latest tranche of garage transfers in 2019-20. Property sales, including RTB receipts and new build sales have contributed £4.995m during 2019/20. The HRA also received the start on site grant payment of £4.832m from Homes England in respect of the new Social Housing development at the Valley. The Major Repairs Reserve contributed £8.689m reflecting the higher annual level of the Major Repairs Allowance which in turn reflects the increased value and cost of depreciation now recognised within the stock.

11.11 HRA Capital Programme Re-Forecast for 2020/21

Within the capital programme, an increase to the original budget of £7.038m, the re-profiling of £6.751m into future years and a supplementary budget of £0.050m is proposed in Appendix 6 & 7. When added to the original budget of £36.014m, it gives a revised HRA capital expenditure budget of £36.351m in 2020/21. A degree of uncertainty remains with regard to projecting the completion of schemes currently on site. Current social distancing measures have affected the productivity of sub-contractors on site, additionally there are delays in the supply of certain critical building materials.

11.12 The reasons for the proposed Major Works programme carry forward of £1.443m is largely because of the delay in finalising the programme of fire safety works in light of the Hackett inquiry and also slippage in the estates improvement programme. Other carry forwards requested are in light of review by the service and represent slippage caused by lower demand in 2019/20 that is anticipated to be required in 2020/21.

11.13 The reasons for the proposed New Build programme carry forward of £5.595m are outlined below:

- a) The Valley – A carry forward of £3.519m. The scheme started on site in April 2019 with the carry forward representing the elements of works which have been delayed by SW and SSE. The carry forward figure forms part of the overall project budget.
- b) Mayles Lane - A carry forward of £0.227m. The last phase of the scheme was completed in December 2019. The carry forward figure is contractor's retention sum which is included in the overall project budget.
- c) Woodman Close – A carry forward of £0.053m. The scheme is still at feasibility stage with the carry forward representing the remainder of the initial feasibility budget.
- d) Hookpit – A carry forward of £1.390m. The scheme has commenced on site the carry forward figure represents the agreed upfront payment to the developer that was original planned for March 2020 and forms part of the approved scheme budget.
- e) Winnall – The revised budget sum for 20/21 is £0.800m to reflect the expenditure on pre-construction services, start on site will not occur until 21/22 (subject to Member approval of the final business case).
- f) Sheltered Housing Conversions - £0.106m committed towards the conversion of two properties delayed as a result of issues with the calculation of the Nitrate Neutrality costs which are currently delaying the scheme
- g). The carry forward here is in respect on a specific property where completion and exchange could not be achieved in time in 2019-20 because of the impact of Covid-19.

12 OTHER OPTIONS CONSIDERED AND REJECTED

12.1 None.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

CAB3161(HSG) Housing Revenue Account 2018-19 Outturn and Key Performance Indicators – 17 July 2019

CAB3216(HSG) Housing Revenue Account Budget Options 2020-21 22 January 2020

CAB3214(HSG) Housing Revenue Account Budget 2020-21 and Business Plan - 22 January 2020.

Other Background Documents:-

None.

APPENDICES:

Appendix 1 – Housing Revenue Account Outturn 2019/20 – Subjective Summary

Appendix 2 – Housing Revenue Account Outturn 2019/20 – Service Summary

Appendix 3 – Housing Capital Programme 2019/20 – Housing Services Outturn

Appendix 4 – Housing Capital Programme 2019/20 – New Build Outturn

Appendix 5 – Housing Capital Programme 2019/19 Funding

Appendix 6 – Housing Capital Programme 2019/20 – Re-forecast Budget Major Works

Appendix 7 – Housing Capital Programme 2019/20 – Re-forecast Budget New Build

APPENDIX 1

HRA - INDICATIVE OUTTURN 2019/20

	Original Budget £000	February Forecast £000	Indicative Outturn £000	Variance Forecast to Outturn £000	Report Notes
Subjective Summary					
Employees	(4,015)	(3,950)	(3,788)	162	11.2 a).
Premises	(5,323)	(5,444)	(5,599)	(155)	11.2 b).
Other Costs	(3,575)	(3,939)	(3,430)	509	11.2 c).
Net Interest and Depreciation	(12,095)	(13,540)	(13,301)	239	11.2 d).
External income	29,065	29,717	29,836	119	11.2 e).
Surplus for year on HRA Services	4,057	2,844	3,718	875	
Capital Expenditure funded by HRA	(8,622)	(2,680)	(2,461)	219	11.2 f).
Right to Buy Admin Fees	21	21	31	10	
Interest receivable	21	21	67	46	
Net (increase)/decrease in HRA Balance before transfers to or from reserves	(4,523)	206	1,356	1,150	
Transfer re Insurance Reserve	(66)	(66)		66	11.2 h).
(Increase)/ decrease in HRA Balance	(4,590)	139	1,356	1,216	
HRA Working Balance					
Opening Balance	10,666	11,627	11,627		
Add Projected Deficit/(Surplus)	(4,590)	139	1,356	1,216	
Projected Balance at Year End	6,076	11,766	12,982	1,216	

APPENDIX 2

HRA - INDICATIVE OUTTURN 2019/20

	Original Budget	February Forecast	Indicative Outturn	Variance Forecast to Outturn	Report Notes
	£000	£000	£000	£000	
Service Summary					
Housing Management General					
Estate Management	(1,363)	(1,422)	(1,373)	49	
HRA General	(1,759)	(1,513)	(1,261)	252	11.3 a)
HRA Contribution to Non-Distributed	(248)	(248)	(247)	1	
HRA Contribution to Democratic Core	(121)	(128)	(108)	19	
Removal Incentive Scheme	(60)	(60)	(54)	6	
Rent Accounting	(264)	(194)	(175)	19	
Tenants Information	(113)	(118)	(73)	45	
Vacant Dwellings	(25)	(25)	(30)	(6)	
New Build Programme Support	(895)	(687)	(383)	303	11.3 b)
	(4,847)	(4,394)	(3,705)	689	
Housing Management Special					
Communal Services	83	83	169	86	
Disabled Adaptations	(117)	(131)	(149)	(18)	
Estate Improvements	(482)	(515)	(496)	19	
Homelessness	52	6	27	21	
Sewage Works	(185)	(382)	(388)	(7)	
Sheltered Housing	(748)	(790)	(961)	(171)	11.3 c)
	(1,397)	(1,728)	(1,799)	(71)	
Repairs					
Responsive Maintenance	(2,265)	(2,134)	(2,066)	68	
Voids	(982)	(1,150)	(1,173)	(24)	
Cyclic	(775)	(800)	(856)	(56)	
Sub - total Repairs Works	(4,022)	(4,084)	(4,095)	(11)	
Repairs Administration	(1,233)	(1,281)	(1,179)	103	
	(5,255)	(5,366)	(5,274)	92	
Debt Management Expenses	(18)	(14)	(8)	6	
Interest Payable	(5,188)	(5,187)	(5,195)	(8)	
Depreciation of Fixed Assets	(6,904)	(8,349)	(8,095)	254	11.3 d)
Capital Grants and Contributions			(10)	(10)	
	(12,110)	(13,550)	(13,308)	242	
Rents and Other Income					
Dwelling Rents	26,445	26,553	26,473	(80)	
Garage Rents	387	467	414	(53)	
Other Income	286	314	338	24	
Sheltered Charges	549	549	579	31	
	27,667	27,882	27,804	(33)	
Surplus for year on HRA Services	4,057	2,844	3,718	744	

APPENDIX 2

HRA - INDICATIVE OUTTURN 2019/20

	Original Budget £000	Febuary Forecast £000	Indicative Outturn £000	Variance Forecast to Outturn £000	Report Notes
Service Summary					
Capital Expenditure funded by HRA	(8,622)	(2,680)	(2,461)	219	11.3 e)
Right to Buy Admin Fees	21	21	31	10	
Interest Receivable	21	21	67	46	
Net (increase)/decrease in HRA Balance before transfers to or from reserves	(4,523)	206	1,356	744	
Transfer re Insurance Reserve	(66)	(66)		66	
(Increase)/ decrease in HRA Balance	(4,590)	139	1,356		
HRA Working Balance					
Opening Balance	10,666	11,627	11,627		
Add Projected Deficit/(Surplus)	(4,590)	139	1,356	1,216	
Projected Balance at Year End	6,076	11,766	12,982	1,216	

HRA CAPITAL PROGRAMME INDICATIVE OUTTURN 2019/20

	2019/20 Original Budget £000	2019/20 Febuary Forecast £000	2019/20 Indicative Outturn £000	2019/20 Variance Forecast to Outturn £000	Report Notes
<u>Housing Services Programme</u>					
<u>Major Repairs</u>					
External Envelope Works	(3,460)	(2,200)	(1,931)	269	11.7 a)
External Ground Works	(508)	(450)	(346)	104	11.7 a)
External Window/Door/Screens	(614)	(200)	(133)	67	11.7 a)
Internal Structure & Finishes	(49)	(360)	(222)	138	11.7 a)
Kitchen & Bathroom Renewals	(993)	(1,150)	(1,076)	74	11.7 a)
Mechanical & Electrical Services	(1,229)	(1,600)	(1,290)	310	11.7 a)
	(6,853)	(5,960)	(4,998)	962	
<u>Improvements & Conversions</u>					
Estate Improvements	(250)	(400)	(301)	99	
Loft Conversions/Extensions					
Sheltered Housing Conversions					
Sheltered Housing Upgrades	(70)	(70)	(37)	33	
	(320)	(470)	(338)	132	
<u>Other Capital Spending</u>					
Disabled Adaptations	(770)	(770)	(738)	32	
Sheltered WIFI		(15)	(15)		
Fire Safety Provision	(1,000)	(1,000)		1,000	11 7 b)
Climate Change Emergency					
Sewage Treatment Works	(103)	(103)		103	
Total HS Capital Programme	(9,046)	(8,318)	(6,089)	2,229	

Appendix 4

HRA CAPITAL PROGRAMME INDICATIVE OUTTURN 2019/20

	2019/20 Original Budget £000	2019/20 Febuary Forecast £000	2019/20 Indicative Outturn £000	2020/21 Variance Forecast to Outturn £000	Report Notes
New Build Programme & Other Capital					
The Valley, Stanmore	(7,687)	(12,737)	(9,218)	3,519	11.8 a)
Mayles Lane, Knowle	(674)	(1,109)	(882)	227	11.8 b)
Rowlings Road, Weeke	(1,151)	(250)	(363)	(113)	
Wykeham Place, Stanmore	(27)		(21)	(21)	
Dyson Drive (Abbotts Barton)	(518)		(46)	(46)	
Dolphin Hill, Twyford	(372)	(184)	(261)	(77)	
Woodman Close, Sparsholt	(436)	(77)	(24)	53	11.8 c)
Hookpit, Kings Worthy	(6,282)	(3,655)	(2,265)	1,390	11.8 d)
Winnall Flats	(2,850)	(100)	(103)	(3)	
Wickham CLT	(410)	(205)	(205)		
Tower Street			(20)	(20)	
Southbrook Cottages			(38)	(38)	11.8 e)
Corner House			(538)	(538)	11.8 f)
Witherbed Lane			(2)	(2)	
Barron/Dever Close			(3)	(3)	
Westman Road			(3)	(3)	
Eastacre			(8)	(8)	
Victoria House		(82)	(65)	17	
Chesil Street		(38)	(39)	(1)	
Sheltered Conversions		(139)	(33)	106	11.8 g)
Emmaus Grant					
Small sites / unallocated programme	(2,000)	(600)		600	11.8 h)
Sites funded by RTB 1-4-1 receipts		(2,400)	(2,505)	(105)	
Total New Build Programme	(22,407)	(21,576)	(16,642)	4,934	
Total HRA Capital Programme	(31,453)	(29,894)	(22,731)	7,163	

Appendix 5

HRA CAPITAL PROGRAMME INDICATIVE FUNDING 2019/20

	Original Budget £000	Febuary Forecast £000	Indicative Outtum £000	Variance Forecast to Ouutum £000	Report Notes
Funding Source					
Right to Buy Other Retained receipts	(386)	(509)	(512)	(3)	
Right to Buy 1-4-1 Receipts	(3,387)	(2,372)	(2,186)	186	
Other capital receipts	(440)	(825)	(825)		
S.106 Contributions	(200)	(400)		400	
HRA Revenue Contributions to Capital	(8,621)	(2,680)	(2,461)	219	
HCA Grants	(1,502)	(4,832)	(4,832)	1	
New Build Sales	(155)	(1,473)	(1,473)	(0)	
HRA Borrowing	(8,000)	(6,000)		6,000	
Garage Transfers to General Fund	(1,858)	(1,858)	(1,754)	104	
Major Repairs Reserve	(6,904)	(8,945)	(8,689)	256	
TOTAL	(31,453)	(29,894)	(22,731)	7,163	11.10

Appendix 6

HRA CAPITAL PROGRAMME PROPOSED REVISED BUDGETS 2020/21

	2020/21 Original Approved Budget. £000	2020/21 Approved Changes to Budget. £000	2019/20 Proposed Cfwd £000	2020/21 Revised Budget £000	Report Notes
<u>Housing Services Programme</u>					
<u>Major Repairs</u>					
External Envelope Works	(2,617)			(2,617)	
External Ground Works	(302)			(302)	
External Window/Door/Screens	(392)		(67)	(459)	
Internal Structure & Finishes	(66)		(138)	(204)	
Kitchen & Bathroom Renewals	(709)		(74)	(783)	
Mechanical & Electrical Services	(1,584)			(1,584)	
	(5,669)		(279)	(5,948)	11.12
<u>Improvements & Conversions</u>					
Estate Improvements	(400)		(99)	(499)	
Loft Conversions/Extensions					
Sheltered Housing Conversions					
Sheltered Housing Upgrades	(100)		(33)	(133)	
	(500)		(132)	(632)	
<u>Other Capital Spending</u>					
Disabled Adaptations	(770)		(32)	(802)	
Sheltered WIFI					
Fire Safety Provision	(1,030)		(1,000)	(2,030)	11.12
Climate Change Emergency	(1,030)			(1,030)	
Sewage Treatment Works	(106)			(106)	
Total HS Capital Programme	(9,105)		(1,443)	(10,548)	

HRA CAPITAL PROGRAMME PROPOSED REVISED BUDGETS 2020/21

	2020/21 Original Approved Budget. £000	2020/21 Other Changes to Budget. £000	2019/20 Proposed Cfwd £000	2020/21 Revised Budget £000	Notes
New Build Programme & Other Capital					
The Valley, Stanmore	(5,713)		(3,519)	(9,232)	11.13 a).
Mayles Lane, Knowle			(227)	(227)	11.13 b).
Rowlings Road, Weeke	(1,129)			(1,129)	
Wykeham Place, Stanmore	(446)			(446)	
Dyson Drive (Abbotts Barton)	(954)			(954)	
Dolphin Hill, Twyford	(184)			(184)	
Woodman Close, Sparsholt	(762)		(53)	(815)	11.13 c).
Hookpit, Kings Worthy	(4,965)		(1,390)	(6,355)	11.13 d).
Winnall Flats	(7,551)	6,751		(800)	11.13 e).
Wickham CLT	(205)			(205)	
Tower Street					
Southbrook Cottages					
Corner House					
Witherbed Lane					
Barron/Dever Close					
Westman Road					
Eastacre					
Victoria House					
Chesil Street					
Sheltered Conversions			(106)	(106)	11.13.f).
Emmaus Grant		(50)		(50)	
Small sites / unallocated programme	(3,000)		(300)	(3,300)	11.13 g).
Sites funded by RTB 1-4-1 receipts	(2,000)			(2,000)	
Total New Build Programme	(26,909)	6,701	(5,595)	(25,803)	
Total HRA Capital Programme	(36,014)	6,701	(7,038)	(36,351)	

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CAB3246
CABINET

REPORT TITLE: QUARTER 4 FINANCIAL AND PERFORMANCE MONITORING

9 JULY 2020

REPORT OF CABINET MEMBER SERVICE QUALITY AND TRANSFORMATION:
CLLR MARTIN TOD

Contact Officer: Lisa Kirkman Tel No: 01962 848 501 Email
lirkman@winchester.gov.uk

WARD(S): ALL

PURPOSE

This report provides a summary of the council's progress during the period January to March (Q4) 2020 against the five priorities in the Council Plan 2020-25.

Incorporating a new style of performance reporting, this report includes data against the newly adopted strategic key performance indicators (KPIs) and an update on the progress of the council's significant projects.

A high level summary forecast of the financial outturn for 2019/20 for the General Fund revenue and capital budgets as well as the Housing Revenue Account (HRA) is also included.

RECOMMENDATIONS:

1. That Cabinet notes the progress achieved during Q4 of 2019/20 and endorses the contents of the report.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOMES

- 1.1 This report forms part of the framework of performance and financial monitoring in place to report the progress being made against the projects and programmes supporting delivery of the priorities included in the Council Plan 2020-25 that was adopted in January 2020.
- 1.2 Strategic Service Plans to support delivery of the Council Plan were adopted from April 2020 along with a new suite of KPIs. In the main, the targets that have been set for these KPIs relate to 2020/21. Therefore where available, data has been reported for Q4 of 2019/20 in this report or for the full year of 2019/20. This has not been possible in all cases though as the data may not previously have been collected. In some cases the Q4 or end of year data sets the baseline target moving forward. When the Q1 2020/2021 reporting is undertaken this will present the full and complete set of data.
- 1.3 Presenting this report supports the council in being open and transparent to our public, partners, stakeholders and residents and covers the period January to March 2020 (Q4).

2 FINANCIAL IMPLICATIONS

- 2.1 The financial implications of this report are detailed in the appendices to this report and in particular the Financial Summary in Appendix 1. Almost all the projects included in the Council Plan will have financial implications, some significant and these are agreed and reported separately before the commencement of the project.
- 2.2 It is important to note that this report provides a summary of the council's provisional financial position as at 31 March 2020 and the position has changed significantly since 31 March 2020. This has been reported in CAB3244 (Section 13 and Appendix 1) and is the subject of ongoing monitoring and reporting.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 Key performance indicators and progress reporting must be fit for purpose, monitored and managed to ensure council governance. Key Performance Indicators enable evidence based quantitative management reporting and where necessary remedial actions and decisions to be taken.
- 3.2 There are no legal and procurement implications arising directly in this report, though individual projects are subject to review by Legal Services and Procurement, and in particular will require consideration of the council's Contract Procedure Rules and Public Contracts Regulations 2015 (PCR2015) and governance where required.

4 WORKFORCE IMPLICATIONS

4.1 None directly.

5 PROPERTY AND ASSET IMPLICATIONS

5.1 None.

6 CONSULTATION AND COMMUNICATION

6.1 Cabinet members, Executive Leadership Board, Corporate Heads of Service and Service Leads have been consulted on the content of this report.

7 ENVIRONMENTAL CONSIDERATIONS

7.1 Many of the activities detailed in this report actively protect or enhance our environment and support the council to reduce its carbon impact. These will be considered as part of each detailed business justification case.

8 EQUALITY IMPACT ASSESSEMENT

8.1 There are no direct equalities implications arising from the content of this report, although officers will have regard to the considerations as set out in the Equalities Act 2010 and whether an Equality Impact Assessment will be required to be undertaken prior to requested recommendations, policy and project implementation and decisions.

9 DATA PROTECTION IMPACT ASSESSMENT

9.1 None required.

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
<i>Property- none</i>		
<i>Community Support- Lack of consultation and community engagement on significant projects that affect residents and can cause objections and lead to delay.</i>	Regular consultation and engagement with stakeholders and residents regarding projects or policy changes.	Positive engagement and consultation can bring forward alternative options that might not have otherwise been considered.
<i>Timescales- Delays to project delivery can lead to increased cost and lost revenue.</i>	Regular project monitoring undertaken to identify and resolve slippage.	
<i>Project capacity- Availability of staff to deliver projects.</i>	Resources to deliver projects are discussed at the project planning stage and agreed by the project	Opportunities present themselves for staff to get involved in projects outside their normal role

Risk	Mitigation	Opportunities
	board and monitored by the Programme and Capital Strategy Board	enabling them to expand their knowledge and skills base as well as working with others.
<i>Financial / Value for Money (VfM) Budget deficit or unforeseen under or overspends</i>	Regular monitoring of budgets and financial position including forecasting to year end to avoid unplanned over/underspends.	Early notification of unplanned under/overspends through regular monitoring allows time for plans to be put in place to bring the finances back into line with budget forecast.
<i>Legal</i>	Legal resources are discussed with project leads.	Opportunity for the use of in house resources able to input to through the life of the project with local Winchester and cross Council knowledge.
<i>Innovation – improvement in service delivery</i>		KPIs can evidence the need for innovation to improve service delivery
<i>Reputation- Ensuring that the Council delivers the outcomes as set out in the Council Strategy.</i>	Regular monitoring and reporting of the progress the Council is achieving against its priorities included in the Council Strategy, including this report.	Work with Communications Team on press releases to promote or celebrate success.
<i>Other</i>		

11 SUPPORTING INFORMATION:

- 11.1 This report provides an update on the council's finances and the progress achieved against the priorities included in the Council Plan 2020-25 and new KPIs.
- 11.2 Appendix 1 provides a high level summary of the financial position for both General Fund and Housing Revenue Account as at the end of the 2019/20 financial year.
- 11.3 Following adoption of the Council Plan 2020-25 in January 2020, this is the first performance report that provides an update on the progress achieved against the five priorities and covers the period January to March 2020.
- 11.4 Outlined in the recent Strategic Service Plans report (CAB3230 refers) the performance information included in Appendix 2 is based on the new format which has been developed to be easier to read and have clear links to the new Council Plan priorities. KPIs are supported by a newly introduced

narrative for each Council Plan priority which allows a story to be told quarter by quarter.

- 11.5 The period that this report relates to was largely unaffected by the COVID-19 pandemic. A detailed report covering the council's response to the outbreak of COVID-19 was considered by Cabinet on 21 May 2020.
- 11.6 Appendix 3 provides, for the first time, reporting on performance against the new Strategic KPIs. These were agreed by Cabinet at its meeting on 21 May 2020 and are directly linked to the Corporate Heads of Services and Heads of Programmes Strategic Service Plans.
- 11.7 The monitoring and reporting frequency of each KPI varies between monthly, quarterly and annually depending on the availability of data.
- 11.8 Appendix 4 provides an update on the progress made against the Council's significant programmes and projects which are being, or will be undertaken during the next five years. The next report - Q1 of 20/21 - will provide a new highlight report format which coincides with new corporate programme management arrangements and the introduction of the Programme and Capital Strategy Board from July 2020.
- 11.9 The financial outturn for each capital project in 2019/20 is provided in Appendix 5.
- 11.10 The financial outturn for the Winchester Town Account 2019/20 is provided in Appendix 6.
- 11.11 An overview of the General Fund Earmarked Reserves is provided in Appendix 7.

12 OTHER OPTIONS CONSIDERED AND REJECTED

12.1 None.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

CAB3228 – Quarter 3 Finance and Performance Monitoring dated 12 February 2020

CAB3230 – Strategic Service Plans 2020-25 and Performance Reporting dated 21 May 2020

Other Background Documents:-

None

APPENDICES:

Appendix 1 Finance Report 2019/20

Appendix 2 Council Plan 2020-25 progress update – January to March 2020

Appendix 3 Strategic Key Performance Indicators

Appendix 4 Programme Management – Tier 1 projects update

Appendix 5 General Fund Capital Expenditure 2019/20 outturn

Appendix 6 Winchester Town Account 2019/20 outturn

Appendix 7 General Fund Earmarked Reserves

Section 1 – Financial Update as at 31 March 2020

This section presents a summary of the council's provisional financial outturn for 2019/20 with regard to the General Fund and Housing Revenue Account budgets.

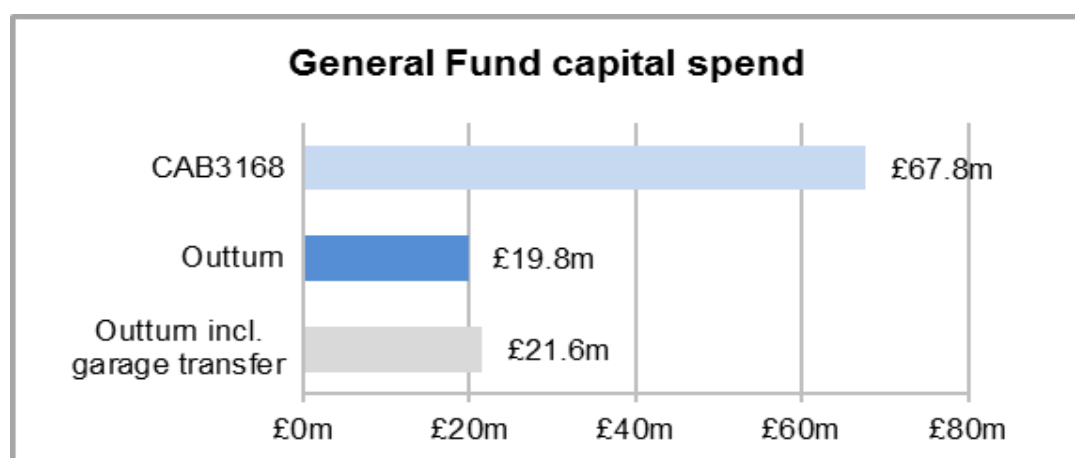
General Fund Revenue

1. As at the end of Q4 there is a provisional outturn 2019/20 underspend of £1.4m. Much of this favourable variance flows through from Q4 in 2018/19, after the budget for the year was set, or is a result of one off income achieved.
2. Additional financing and treasury activity net income of £0.8m is related to forecast higher net interest receivable due to higher cash balances.
3. Also included in this appendix is a report that shows the progress and status of the 2019/20 Outcome Based Budgeting proposals. The overall target status is amber due to the March 2020 impact of COVID-19 and some projects, such as the one relating to the Guildhall café space, have been deferred to 2020/21.
4. Earmarked Reserve balances are shown in Appendix 7, with closing balances roughly in line with opening balances. Whilst balances are higher than forecast, much of this increase in closing balance relates to higher in-year Community Infrastructure Levy receipts and re-profiling of major project spend. The Major Investment Reserve has been replenished with an additional £0.7m of uncommitted balance.
5. Q4 key variances:
 - i) **Net Interest Receivable** – (+£0.8m) higher than budgeted cash balances have been available for investment which has significantly increased the net interest receivable for the year.
 - ii) **Planning Fee Income** – (+£0.25m) higher than planned income for the year relating to major planning applications.
 - iii) **Benefits** – (+£0.05m) higher than planned subsidy and overpayment recovery rates.
 - iv) **HRA Recharges** – (+£0.36m) higher recharges to the HRA reflecting the 2018/19 outturn for example additional utilisation of the Special Maintenance team and other specific additional resources utilized by the HRA in 2019/20.
 - v) **NDR** – (+£0.49m) Winchester share of additional business rates receipts received in 2019/20.
 - vi) **Guildhall** – (-£0.17m) a target saving of £0.15m was set commencing 2019/20. Whilst plans are progressing, it is now expected that the planned savings will not commence until 2020/21.

- vii) **Estates Property Income** – (-£0.4m) A provision for doubtful debts of £0.2m has been applied in order to cover outstanding debts which may never be recovered. The remaining variance is caused by higher than budgeted garage voids and void investment properties. There are currently a high number of voids within the property portfolio causing an adverse budget forecast for the year.

General Fund Capital

1. Total capital expenditure in year was £42.5m - of which £22.7m relates to the Housing Revenue Account (HRA). The detailed HRA outturn is reported separately to Cabinet (CAB3241); summary details are provided below.
2. General Fund capital expenditure amounted to £19.8m. This compares to an original budget of £62.2m set in February 2019 (CAB3134) and a revised budget of £67.8m (including 'brought forwards') set in July 2019 (CAB3168). Following subsequent approvals and reprogramming, the forecast expenditure was amended to £26.3m in February 2020. Further details by project are provided in Appendix 5.
3. An estimate of £2.8m was included in the General Fund capital budget for the transfer of 364 garages from the Housing Revenue Account. However, as there is no third party transaction the 'acquisition' by the General Fund is not treated as expenditure; instead the transaction is accounted for by a reduction in the HRA's borrowing need (Capital Financing Requirement) and a corresponding increase in the General Fund's borrowing need. In effect this has the same consequence as a capital purchase and receipt in that the GF will need to finance the transfer and the HRA will be able to use the reduction to finance new capital spend. The actual value of the transfer was £1.8m.



4. The following are some of key projects undertaken in 2019/20:
 - **New Sport & Leisure Park** *Total Budget: £43.07m*
Expenditure: Prior years £2.8m 2019/20 £15.28m Total £18.08m

Work commenced on site in 2019 and significant progress has been made since with the new building rapidly taking shape. The budget was increased by £205,000 in 2019/20 to help the council achieve its priority of tackling the climate emergency by installing more solar panels. The new facility is expected to open in Spring 2021.

- **Disabled Facilities Grants** *Total Budget: £1.47m*

Expenditure: recurring *2019/20 £1.27m*

Expenditure on disabled facilities grants increased in 2019/20 by over £300,000 from the previous year. The grants allow disabled people to stay in their own homes by, for example, widening doors, installing ramps and stair lifts, or adapting heating and lighting controls to make them easier to use.

- **Partnered Home Purchase Scheme** *Total Budget: £2.0m (pilot)*

Expenditure: Prior years £0.5m *2019/20 £1.35m* *Total £1.85m*

The 'myHome' Partnered Home Purchase Scheme was an open market shared ownership scheme which was discontinued in February 2020 in order to release £1.45m of capital receipts to invest in other Council priorities. Whilst the scheme attracted significant interest and assisted 11 households to access housing in the district, the overall risks to the Council were considered too high to support its continuation. It was introduced as an investment scheme although does not support the cost of borrowing. The properties purchased during the pilot will provide the council with an ongoing index-linked rental income stream from the share the organisation owns and has enabled homebuyers to enter into a shared ownership arrangement without the restrictions of traditional schemes. It has also made a positive contribution to the council's housing strategy which will continue to be delivered through the Council's own shared ownership offer and alternative tenures offered through the housing company.

- **Kerbside glass recycling bins** *Total Budget: £170,000*

Expenditure: one-off *2019/20 £161,000*

In line with our commitment to increasing recycling in the district, the council introduced kerbside glass recycling in 2019 for which 50,000 bins were purchased for distribution to households.

- **Coventry House (Vaultex)** *Total Budget: £530,000*

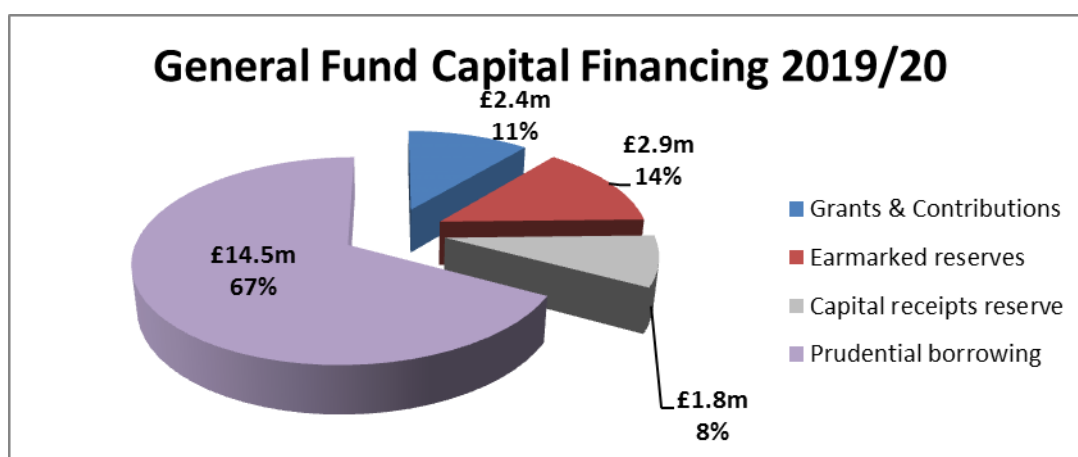
Expenditure: Prior years £nil *2019/20 £121,000*

Following the purchase of Coventry House in 2018/19 (for £1.68m), the site was leased back to its original owners for 12 months. Following their vacation of the site, the building has been demolished (at a cost of £115,000) and

preliminary work has commenced on provision of a surface car park on the site. The total budget was increased to £530,000 in June Cabinet (CAB3239).

5. Capital Financing

The sources of finance available for capital projects include capital receipts, grants and contributions, reserves, revenue contributions, and prudential borrowing or “Capital Financing Requirement” (unfinanced capital expenditure met by future revenue provision). Under the Prudential Code, the council can invest in a capital programme so long as its capital spending plans are “affordable, prudent and sustainable”. The financing of the 2019/20 General Fund capital expenditure including the transfer of garages from the Housing Revenue Account was as follows:



Where capital expenditure is to be financed in future years by charges to revenue, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the council that has yet to be financed. While the council has sufficient cash and investment balances, it is able to internally borrow but as CFR increases in the future it will need to borrow externally in addition to the £156.7m the council has already borrowed as a result of the HRA self-financing settlement. In the General Fund an annual charge is required (Minimum Revenue Provision) to finance prior year unfinanced expenditure; this reduces the CFR over the lives of the related assets.

Capital Financing Requirement	General Fund £000	Housing Revenue Account £000	Total £000
Capital Financing Requirement at 1 April 2019	27,145	162,859	190,004
Unfinanced Capital Expenditure - in year	12,756	1,754	14,510
Provision for the Financing of Capital Investment	(502)	0	(502)
Transfer of Garages from the HRA to the General Fund	1,754	(1,754)	0
Capital Financing Requirement at 31 March 2020	41,153	162,859	204,012

6. Commercial activities: Property

The council owns an investment property portfolio (assets held solely for rental income or capital appreciation) which was valued at £61.5m as at 31 March 2020 (£53.8m as at 31 March 2019) and generated gross income of £2.9m and net income after costs of £2.3m in 2019/20. This income helps contribute to the Council Plan outcomes. This represents an average net yield of 3.9%.

In 2019/20, the council spent £1.35m on new acquisitions all of which related to the organisation's share in Partnered Home Purchase scheme properties. In addition, 364 garages were transferred from the HRA to the General Fund where they will be held as investment properties.

Property held for investment purposes in £000s

31 March 2019	53,794
Acquisitions	1,349
Enhancements	1
Gains/(losses) in fair value	4,561
Transfer from PPE (operational assets)*	1,754
31 March 2020	61,459

*An investment property is held for rental income and/or capital appreciation; when the continued purpose of holding the asset changes to meeting a service objective it is transferred to Property Plant & Equipment or vice versa

7. Proportion of Financing Costs to Net Revenue Stream

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans, MRP, and any revenue funded reductions in the borrowing need are charged to the General Fund (GF) or Housing Revenue Account (HRA) income and expenditure statements as appropriate, offset by investment income receivable. The net annual charge is known as financing

costs - this is compared to the net revenue stream: Council Tax, Business Rates, and general government grants in the case of the GF; and rents and other charges in the case of the HRA.

Prudential Indicator: Proportion of financing costs to net revenue stream

	2018/19 actual	2019/20 forecast	2019/20 actual	2020/21 budget
GF financing costs (£m)	-0.1	-0.1	-0.1	0.6
GF proportion of net revenue stream	-0.5%*	-0.8%	-0.7%*	3.5%
HRA financing costs (£m)	5.1	5.2	5.1	6.0
HRA proportion of net revenue stream	17.7%	17.9%	17.6%	20.3%

* In 2018/19 and 2019/20 investment income exceeded interest payable and MRP

General Fund 2019/20 Outturn

General Fund Revenue					
Budget		Outturn			
Income	Expenditure	Net contrib'n / (spend)	Outturn	Variance	
£000	£000	£000	£000	£000	
Total Housing	284	(2,337)	(2,053)	(1,849)	204
Total Environment	10,353	(16,909)	(6,556)	(5,669)	887
Total Health & Happiness	360	(2,502)	(2,142)	(2,825)	(683)
Total Business	213	(2,104)	(1,891)	(1,508)	383
Total Operational Delivery	2,239	(5,290)	(3,050)	(3,756)	(706)
Total Investment Activity	3,219	(882)	2,337	2,440	103
Total Organisational Management	466	(6,388)	(5,922)	(4,929)	993
	17,135	(36,412)	(19,277)	(18,095)	1,181
Total Tax and Grant Income			15,296	16,190	894
Total Financing & Treasury Activity			(677)	1,520	2,197
Total Reserve Related Movements			4,658	385	(4,273)
Total Funding			19,277	18,095	(1,181)

**Housing Revenue Account
2019/20**

Housing Revenue Account							
Budget		Outturn			Notes		
Income	Expenditure	Net contribution / (spend)	Feb Forecast	Full Year Outturn	Feb Variance		
£'000	£'000	£'000	£'000	£'000	£'000		
Rent Service Charges & Other Income	27,688	0	27,688	27,903	27,871	(32)	
Housing Management General	164	(5,011)	(4,847)	(4,394)	(3,703)	691	1.a)
Housing Management Special	1,155	(2,552)	(1,397)	(1,728)	(1,799)	(71)	1.b)
Repairs (including Administration)	101	(5,356)	(5,255)	(5,366)	(5,274)	92	
Interest Payable	0	(5,188)	(5,188)	(5,188)	(5,196)	(8)	
Depreciation	0	(6,904)	(6,904)	(8,348)	(8,095)	253	1.c)
Capital Expenditure Funded by HRA	0	(8,622)	(8,622)	(2,680)	(2,461)	219	1.d)
Other Income & Expenditure	21	(85)	(64)	(60)	14	74	1.e)
	<u>29,129</u>	<u>(33,718)</u>	<u>(4,589)</u>	<u>139</u>	<u>1,357</u>	<u>1,218</u>	
Working Balance at 1 April 2019			<u>10,666</u>	<u>11,627</u>	<u>11,627</u>	<u>0</u>	
Add Surplus / (Deficit)			<u>(4,589)</u>	<u>139</u>	<u>1,357</u>	<u>1,218</u>	
Projected Working Balance at 31 March 2020			<u>6,077</u>	<u>11,766</u>	<u>12,984</u>	<u>1,218</u>	

**Housing Revenue Account
Capital 2019/20**

	HRA Capital Programme			
	Budget	Feb Forecast	Outturn	Variance
	£'000	£'000	£'000	£'000
Housing Major Works	(6,853)	(5,960)	(4,998)	962
Improvements and Conversions	(1,090)	(1,240)	(1,076)	164
Other Capital Spend	(1,103)	(1,118)	(15)	1,103
New Build Programme	(22,407)	(21,576)	(16,642)	4,934
	(31,453)	(29,894)	(22,731)	7,163

Notes:

1. The indicative HRA revenue outturn for 2019-20 shows a favourable variance of £1.218m when compared to that forecast in February which represents just below 4% of gross HRA expenditure. The surplus for the year is £1.357m and this will result in a healthy HRA general working balance at 31 March 2020 of £12.984m. The 30 year HRA Business plan will need to be updated to reflect the impact of the revenue outturn and the need to re-profile capital slippage.

1a) There are a number of factors that have contributed to the variance shown;- these include an underspend on professional services of £360k, a compensation insurance payment of £440k in respect of Victoria Court, the impact of capitalising some of the costs of the new build team £268k, and of recharging the General Fund for the management and maintenance of the transferred garages £68k, and an underspend on subscriptions and equipment purchases of £60k, which was partly offset by increased recharges into the HRA of £346K.

- 1b) Further investigations are required here but the key factors are an overspend on sheltered housing of £148k.
 - 1c) The actual cost of depreciation to both the dwelling and non-dwelling stock was £254k less anticipated in February.
 - 1d) The capital outturn resulted in a reduced capital financing requirement and as a result the RCCO required was £219k less than anticipated
 - 1e) The anticipated budgeted contribution to the insurance fund was not required in 2019/20
2. The reasons for the key material variances are currently being reviewed and investigated to understand if they are likely to be ongoing and need to be reflected in future budget setting. In addition at this stage it is being proposed that the only revenue carry forward from 2019/20 is £50k funding for the establishment of the proposed Housing Company.
 3. The capital outturn shows a favourable variance of £7.163m, which represents 24% slippage on that forecast in February. The amount being proposed to be carried forward to 2020/21 and future years is £7.038m.

Outcome Based Budgeting – 2019/20 Progress Monitoring

The General Fund Budget 2019/20 report ([CAB3132](#), 14 February 2018 refers) included a number of budget proposals for 2019/20 that would achieve savings of £0.96m which would enable a balanced budget for 2019/20 and contribute towards savings for future years.

The table below provides an update on the progress achieved against the proposals for savings.

Item	Budget	Achieved	Total	Status			Comments
	£'000	£'000	£'000	Q2	Q3	Q4	
Savings Proposals							
Guildhall	150.0	0.0	0.0	Red	Red	Red	Cabinet on 23 December approved procurement of a new catering contract for the Café Eighteen71. Target was not achieved in 2019/20 but a very positive outcome to the procurement agreed. This has been further delayed by COVID-19 and progress will be subject to economic recovery.
Internal Catering	20.0	10.5	10.5	Amber	Amber	Amber	Part-year savings in 2019/20 with the full year targets to be met from 2020/21. Savings are to a large extent reliant on number and type of meetings held during the year.
Salary Sacrifice Employee Benefits	21.5	16.3	16.3	Amber	Amber	Amber	Savings are based on estimated employee take up and subsequent reduction in Employers National Insurance contributions. Benefits are being actively promoted and take up

Item	Budget	Achieved	Total	Status			Comments
	£'000	£'000	£'000	Q2	Q3	Q4	
							is expected to increase over the coming months generating higher full year savings for 2020/21.
Business Travel	50.0	28.5	28.5	Green	Green	Green	On target for full year savings from 2020/21.
Public Conveniences – Business Rates	25.0	25.0	25.0	Green	Green	Green	Contractual savings were achieved in 2019/20 meaning the targeted savings were achieved. Central Government announced in December 2018 that stand alone public conveniences would become exempt from Business Rates. The savings forecast is based on this policy which is still progressing towards adoption. This is expected to generate additional savings when the new policy is in place.
Occupational Health	10.0	10.0	10.0	Green	Green	Green	New contract arrangements – budget saving achieved.
Training Hub	17.0	17.0	17.0	Green	Green	Green	The £17k savings have been achieved within the Learning & Development budget in 2019/20. Further efficiencies, with a training hub based in Winchester, will be explored. In addition a robust and new approach to learning and development planning is work being undertaken by the new Service Lead in HR.

Item	Budget	Achieved	Total	Status			Comments
	£'000	£'000	£'000	Q2	Q3	Q4	
Other minor efficiencies	20.0	20.0	20.0	Green	Green	Green	
Restructure	100.0	100.0	100.0	Green	Green	Green	Savings achieved under the revised staffing establishment.
Energy Efficiency	20.0		0.0	Amber	Red	Red	All electricity now from renewable sources. Investment in 2019/20 focussed towards additional solar and other measures at the new Sport and Leisure Park. Improvements to other council buildings planned for 2021/22
Asset Management / Income Generation							
Rent Reviews	200.0	50.0	50.0	Green	Green	Amber	Some major rent reviews delayed to 2020/21 and assessment of COVID-19 impact will be required.
Digitalisation of services – Customer Services / Cash Office	30.0	30.0	30.0	Green	Green	Green	Savings achieved through the installation of cash kiosks in reception from January 2019.
Pest Control	35.0	10.0	10.0	Green	Amber	Amber	Delayed implementation of new charges and COVID-19 impact in March 2020.
Concessions at car parks	50.0	0.0	0.0	Amber	Red	Red	The focus of car parks has been targeted to support significant increases in usage (and income) particularly at Park & Ride sites. The potential use of concessions is being explored to balance what can be delivered against the primary focus of ensuring spaces are available and

Item	Budget	Achieved	Total	Status			Comments
	£'000	£'000	£'000	Q2	Q3	Q4	
							usage is encouraged at outer car parks such as the Park & Ride sites.
Street naming and numbering	12.0	20.6	20.6	Green	Green	Green	
Fees and Charges	50.0	50.0	50.0	Green	Green	Green	
Car parking income through volume increase	150.0	150.0	150.0	Green	Green	Green	Additional usage particularly at Park & Ride sites
TOTAL	960.5	537.9	537.9				

COUNCIL PLAN 2020 – 25

Q4 PROGRESS UPDATE

PRIORITY – TACKLING THE CLIMATE EMERGENCY AND CREATING A GREENER DISTRICT

The climate crisis is the biggest challenge all of us face in the coming years and decades. Winchester must play its part in tackling the crisis and hand our district to our children and grandchildren in a better state than it is now.

What we want to achieve

- Winchester City Council to be carbon neutral by 2024
- The Winchester district to be carbon neutral by 2030
- Reduced levels of waste and increased recycling, exceeding national targets
- An increase in the proportion of journeys taken by walking, cycling and public transport

Over the last quarter we have achieved the following

- **Carbon neutrality to be made central to everything we do**

Agreed a contract for the council's operational buildings to be supplied by electricity provided from sustainable sources, including wind and solar power, from the 1st April 2020. This will have the immediate impact of reducing our carbon emissions by 19% with the long term aim of further reducing our carbon emissions by 40% if we can 'on-board' all of our sites onto our new green tariff.

Staff travel survey undertaken, generating 292 responses. Results identified lack of ability to work from home as one of the barriers, prior to recent changes in work patterns.

- **Have an adopted and up to date Local Plan with positive policies which promote low carbon development and transport while protecting our heritage and natural environment**

Work is progressing on the new Local Plan in accordance with the timetable in the Council's adopted Local Development Scheme. The outstanding information to complete the evidence base is in the process of being obtained. A Strategic Issues and Options document (formerly referred to as the "Prospectus"), which will include how the Council's climate change declaration is being woven into the heart of the Local Plan, is due to be considered by Cabinet in the summer with a date to be confirmed shortly.

- **Take a lead with partners and residents to deliver the Carbon Neutrality Action Plan throughout the district**

A total of 342 trees were planted over two days by more than 30 volunteers at Newlands Walk Open Space in Waterlooville. The volunteers included local residents, community groups and businesses along with council staff.

Launched the LEAP scheme to provide free energy surveys to people on a low income or those suffering from fuel poverty. Working with Agility Eco, we will signpost people to funding for heating upgrades to eligible homes; making buildings warmer, cheaper to heat and reducing their carbon footprint.

Work is underway on a proposal for the Council to rent roof space from targeted large businesses, in order to install solar PV. The Council would then sell the generated power from the PV to the business.

- **Deliver the City of Winchester Movement Strategy, refresh the air quality management action plan and prioritise walking, cycling and public transport throughout the district**

The Winchester Movement Strategy (WMS) phase 1 studies now complete and members briefing held in June. A summary report is to be made public in July. Phase 2 studies underway. A local cycling and walking improvement plan for Winchester is being developed as part of the WMS

- **Work with other public authorities to expand the range of materials we recycle**

Winchester is working through the Project Integra partnership to review options for a single MRF in Eastleigh, and is looking at the option of moving to a twin stream or kerbside sort system to greatly increase the range of material being collected.

We are also working with Project Integra to understand the impact of introduction of food waste recycling which is government's preferred direction of travel by 2023 for every local authority.

- **Safeguard our district's extensive natural habitats and precious ecosystems by delivering the actions in our Biodiversity Action Plan**

We are continuing to deliver biodiversity gain through current land management projects and work programmes. With regard to the Biodiversity Action Plan (BAP), the Business Justification Case has been approved and a Members briefing will take place on 30 June 2020, providing an update on the proposals for the new BAP as well as wider ecological initiatives. Production of the BAP has started, and the draft document will be presented to the Health & Environment Policy Committee on 30 Sep 2020 and Cabinet in December 2020.

PRIORITY – LIVING WELL

We want all our residents to live healthy and fulfilled lives. We recognise that our residents are living longer and want to ensure the district offers the right mix of facilities for all ages and abilities.

What we want to achieve

- Reduced health inequalities
- Increase in physical and cultural activities
- An increase in active travel
- Services that work for all, but especially for residents who need more help to live well
- Attractive and well used green spaces with space for relaxation and play

Over the last quarter we have achieved the following

- **Focus our activities on the most disadvantaged areas, communities and groups**

We have continued to issue grant support to key voluntary sector organisations supporting our more vulnerable residents, such as Citizens Advice Winchester District, Trinity, Winchester Nightshelter, Home-Start, Winchester Live at Home scheme and Winchester Young Carers.

The GP referral scheme saw 94 new referrals during Q4, with the most common health conditions referred being osteoarthritis, mental health and obesity. Total throughput at community exercise classes for people with health conditions was in excess of 600 over the three months and the 79 health walks saw more than 1200 attendees.

- **Opening of the new Winchester Sport and Leisure Park to offer sustainable, accessible facilities for all to enjoy a wide range of activities**

See project update at Appendix 4

- **Supporting communities to extend the range of sports facilities across the district**

Discussions are underway with the developer over the specification and design of a cricket pavilion for the West of Waterlooville development.

- **Create safe cycle ways and pathways to make it safer and more appealing for our residents to cycle and walk to their destination**

A local cycling and walking improvement plan for Winchester is being developed as part of the Winchester Movement Strategy. The Parking and Access Strategy delivery will consider the needs of the market towns. Meetings are underway to discuss these with representative groups.

- **Maintain and enhance the open spaces and parks that support good mental and physical health for residents of all ages**

All play areas are currently closed due to coronavirus, although the council is still undertaking visual inspections for health & safety purposes.

Some projects have continued throughout lockdown including the creation of a new area called Badgers Patch in Stanmore, as well as work on the replacement of the North Walls Cricket Pavilion and the renovations to Chilcomb Pavilion. It is still expected that renovation programme for play areas for 2020/21 will be delivered despite the delays due to the pandemic.

PRIORITY - HOMES FOR ALL

Housing in our district is expensive and young people and families are moving out because they can't find suitable accommodation they can afford.

Winchester district needs homes for all – homes that are affordable and built in the right areas for our changing communities

What we want to achieve.

- More young people and families working and living in the district.
- All homes are energy efficient and affordable to run
- The creation of communities not just homes
- No-one sleeping rough except by choice

Over the last quarter we have achieved the following

- **The council building significantly more homes, both traditional council homes and through the council housing company**

There are currently 121 new homes under construction across four sites. Plans are progressing through the appointment of Wates contractors to build 75 new homes at Winnall, a proportion of which may be transferred to the council's housing company.

- **Strengthen our Local Plan to ensure homes are built for all sectors of our society including young people**

A Strategic Housing Market Assessment has been completed and this information will be used to inform the housing policies in the new Local Plan.

- **Use the new Winchester Housing Company to deliver a wide range of housing tenures to meet local needs**

The company has limited resources and as such seeks to minimise its drawdown of capital funding through leasing assets from the HRA, and potentially acquiring properties from the market place. The company business plan is progressing to be in a position to lease 5 properties per year which could include a block of flats as one transfer. Providing housing that will become income generating and at the same time offer social advantages for a need not met elsewhere such as homes for keyworkers and young professionals.

- **Provide support for our homeless and most vulnerable people**

In partnership with Two Saints and HCC, 12 new units of accommodation were made available to help vulnerable people to avoid rough sleeping. Having been recently refurbished by the Council and using the 'Housing First' principles of tackling homelessness, Two Saints will offer intensive support to

help clients settle in, maintain their tenancies and learn how to live independently.

Following a successful funding bid with MHCLG, 4 additional bed spaces were made available throughout the cold weather period and 4 individuals were prevented from sleeping rough and were supported by the outreach team to move on to alternative accommodation.

At the end of March Government directed all housing teams to 'Get Everyone in' to protect those sleeping rough or at risk of sleeping rough and considered to be most vulnerable from Covid19. A 10 bed project was secured and 10 individuals were accommodated, receiving food, healthcare and support from the outreach services

- **Be innovative in moving the energy efficiency of new and existing homes towards zero carbon**

Significant progress has been made towards submitting a planning application for a pilot Passive House scheme at Micheldever. Subject to the outcome of a local consultation exercise and member approval an application will be made in September 2020.

A Member/Tenant Briefing held in early March entitled "Reducing the Environmental Impact (carbon) in Council Housing Stock" looked at a variety of measures to improve energy efficiency and/or reduce carbon emissions. Various options and models - which include fabric improvements, changes to heating systems and local electricity generation (e.g. PV) - are now being scoped and costed for approval in September.

- **Work with developers to ensure that they provide affordable housing and homes at fair market value as part of new developments**

Discussions are underway with Cala Homes to progress a council owned extra care scheme at Kings Barton on land set aside for elderly persons affordable housing. Work has commenced on North Whiteley which will involve both on-site affordable housing through a local Registered Provider and an off-site contribution of funding.

PRIORITY - VIBRANT LOCAL ECONOMY

Winchester district is home to a host of successful businesses and enterprises with high levels of employment in our urban and rural areas. In the face of tough competition, our high streets, town and business centres must attract new investment in low carbon offices, workspace and transport links

What we want to achieve

- Grow opportunities for high-quality, well-paid employment across the district
- New offices and workspace are located in areas with sustainable transport links or where they reduce the need to travel to work
- More younger people choose to live and work here
- Businesses grasp opportunities for green growth
- The city, market towns and rural communities across our district have a compelling and competitive visitor offer

Over the last quarter we have achieved the following

- **Working with business, universities and colleges to position Winchester district as a centre for digital, creative, knowledge-intensive networks**

An EDRF funding bid submitted for a Digital Growth Factory including commercialisation courses, acceleration support, incubation and scale up support for digital businesses.

Sponsorship of the Winchester Business Excellence Awards Digital Innovation category with Winchester BID.

One off project funding approved for the Winchester Design Festival that will excite and inspire young people about how design; accelerate business growth and increase employability; and promote Winchester to the world as a innovative city.

Continued to issue monthly e-newsletter to arts and cultural sector – Arts News.

Cultural Network Group meeting for 19 March postponed. Future meetings to be held virtually for the foreseeable future. Continued engagement with key stakeholders in the arts community including engagement meeting with the Arts Council, The Winchester School of Arts and Arts Referral project with Eastleigh Borough Council.

Design Festival Grant approved and planning meeting held with Festival organiser. Ongoing dialogue in relation to the impact of COVID-19

The redevelopment of central Winchester prioritises the needs of younger people and work continues on the development framework and delivery strategy for the area.

This includes:

- *Ongoing partnership work with the bus operators and HCC is reviewing potential solutions bus operations.*
- *The tender process for a consultant to carry out early stage archaeology investigations is complete and work is due to commence this month.*
- *Work to explore how Kingswalk could be developed into vibrant creative hub to support small businesses, the arts and opportunities for young people is underway.*
- *Options are currently being investigated to bring Coitbury House back into use, in line with the emerging development framework*
- **Strengthening the Winchester brand and working in partnership to promote and develop our unique cultural, heritage and natural environment assets**

2020 Visitor guide published in January

Re-engineered Mayflower 400 – Hampshire’s Connection trail leaflet to an online campaign as a result of COVID-19

Worked with partners to develop offers for locals as part of a new initiative; ‘Winchester Residents’ Week’ - due to take place in April 2020, however postponed as a result of COVID-19.

Commissioned local film company with expertise in tourism films to develop a series of promotional destination films and initial meetings to plan themes and locations.

Continue to work with Discover Winchester partners and Rocket Launch PR – Press visit in March from The Globe (publication currently on hold). Easter press release drafted but held back due to COVID-19. Weekend breaks content provided to The Times and Easter Holiday staycation ideas to Evening Standard. Work started on 2020/21 PR plan – City with a village feel.

Monitored landscape in the lead up to lockdown - kept a record of business closures and managed messages around visiting the district, shared communications from partners and signposted to government guidelines and advice all via our online marketing channels.

- **Supporting business in meeting the challenge of carbon neutrality**

Bid submitted for LoCASE funding to support 12 businesses per year to adopt low carbon technologies – outcome expected October 2020.

Sustainable Business Network moving to virtual meetings.

Held meetings with large businesses to help them reduce their carbon emissions.

- **Securing support to replace LEADER funding and sustain business development in rural areas.**

*Processed claims for payments for three projects on current programme.
Post payment monitoring for current project.*

Claim made and received of £4,000 from Rural Payments Agency for administration of current project.

Brexit followed by COVID-19 response has been focus of all government departments so no other rural funding has become available that we are able to bid for. The service has put a bid to Enterprise M3 for town centre recovery.

YOUR SERVICES, YOUR VOICE

We want to have high quality, good value services and track the performance of our remote working teams in relation to customer response and service delivery. That are continuously improving to address the changing needs and expectations of residents, tenants, visitors, businesses and non-profit organisations across our district – and are accessible to all, whatever their circumstances. We want our residents to have the opportunity to make their voice heard and be able to see and understand how the council makes its decisions.

What we want to achieve?

- An open and transparent council
- Improving satisfaction for our services
- Good value compared to other similar authorities
- Continuous improvement in cost-effectiveness
- High accessibility and usage of our services
- Constructive and effective partnerships across the district
- A balanced budget and stable council finances

Over the last quarter we have achieved the following

- **New processes that involve the public, businesses, stakeholders and ward councillors earlier and more deeply in the design and decision making process**

A new approach to engagement is being developed by the communications team to ensure that public participation around developments to the district can take place in a new format, and not lose the interaction that is needed to meaningfully engage due to restrictions around social distancing. The Head of Engagement and Head of Programme for Central Winchester Regeneration are working on engagement 'events' that benefit from new technology and recently enhanced techniques around virtual meetings and conferences/webinars.

- **New processes that effectively respond to and use complaints and feedback to drive service improvement**

Reviewed current complaints procedures and updated Customer Complaints Policy due to be introduced during the summer supported by training programme for staff who manage and respond to customer complaints.

- **New wider set of published measures designed to drive improved satisfaction and performance**

Cabinet approved a set of Strategic Key Performance Indicators in May 2020 with progress against these KPIs included in Appendix 3 of this report. A new performance management area for the website is under development which will enable the council to publish regular updates against the performance indicators.

- **More effective use of technology to make it simpler and easier to deal with the council and its delivery partners while reducing cost**

All services are now online – with over 105 forms being created to deliver this option across the board.

- **Strong focus on accessibility standards to ensure our services are usable by all**

Work is underway in IT to ensure the website complies with the latest standards in accessibility.

- **Investing in our staff and making the most of their skills and talents**

During the period 01/01/20 to 31/03/20 HR undertook the following work in order to invest in staff and make the most of their skills and talents:



- *Reviewed service level learning and development plans*
- *Planned for a new cohort of aspiring managers to attend the ‘First Ascent’ training programme.*
- *Planned for more apprenticeships in the Council.*
- *Planned for climate emergency training to be included in the 2020/21 corporate training programme*
- *Held management workshops on the sickness management policy*
- *Held workshops on mental health awareness*
- *Planned for Dementia awareness week*
- *Sent out advice to managers on ‘Managing Virtual Teams’*
- *Sent out advice on employee well-being when working from home*
- *Set up and advised on the completion of appraisals.*
- *Reminded managers of the mandatory on-line training.*
- *The council’s internal weekly staff bulleting City Voice has been refreshed in order to celebrate the achievements of individuals and teams, and also thank colleagues for individual efforts.*

Appendix 4 – Programme Management - Tier 1 projects update

This appendix provides an update on the progress made against the Council's significant programmes and projects which are being or will be undertaken during the next five years. These programmes and projects have been selected for inclusion in this report following an exercise to evaluate against a number of criteria the significance, complexity and cost of each of the projects and the need for regular monitoring.

The Council's Projects include:

- Central Winchester Regeneration
- Climate Emergency response
- Environmental Services contract
- New Local Plan 2036
- New Homes Programme
- Station Approach
- Winchester Sport and Leisure Park

Summary		Status & Progress		Project Milestones
<u>Central Winchester Regeneration</u>		Current Quarter	Previous Quarter	<ul style="list-style-type: none"> • 20/06/18 – Cabinet resolution to adopt SPD • 10/07/18 – Cabinet (CWR) Committee approval to proceed with next steps in relation to meanwhile uses and improvements to the existing estate, including setting up advisory panels for three work streams - Coitbury House, Lower High Street and Broadway and Meanwhile uses • 25/09/18 – Present longer term delivery strategy and advisory panel ToRs and memberships for each work stream to Cabinet (CWR) Committee • 27/11/18 – Present estimated costs and timescales for next steps of each work stream to Cabinet (CWR) Committee for approval to proceed • 11/12/18 – Archaeology event • 12/12/18 – Present strategic placemaking consultancy brief to Cabinet for approval to proceed
Project Phase: Develop strategy for the delivery and development of the area and improvements to the existing estate				
Project Start: March 2016	Project End: Ongoing			
Project Sponsor: Chas Bradfield	Project Executive: Veryan Lyons			

<p>Project Budget: Revenue: £768,000</p>	<p>Spend to date: £660,032 (includes committed spend)</p>		<ul style="list-style-type: none"> • 18/12/18 – Friarsgate Medical Centre purchased • 22/01/19 – Present draft design brief and est. costs for lower High Street and Broadway to Cabinet (CWR) Committee for approval to proceed • 14/03/19 – Planning permission for Friarsgate Hoardings approved • 19/03/19 – Present concept designs for Coitbury House to Cabinet (CWR) Committee for approval to proceed with next stage • 19/03/19 – Present proposed next steps for archaeology to Cabinet (CWR) Committee including est. timescales and costs • w/c 26/04/19 – Appoint Strategic Placemaking Consultancy • 12/07/19 – First Project Review meeting • 28/08/19 – Cabinet approval of recommended archaeology investigations and costs • 28/08/19 – Final Project Review meeting • 24/09/19 – Open Forum update of progress on each work stream and JLL review of CWR roadmap • End of December– JLL Roadmap Review completed • 07/01/20 – Cabinet workshop to review CWR scheme options • 17/02/20 - Tender for archaeology consultant • 17/02/20 – Open Forum • 05/03/20 – Cabinet workshop to review development framework
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Project Update & Next Steps

- Update:**
- Roadmap review completed
 - Scheme options for the CWR area presented to Cabinet and feedback received
 - Further development and testing of scheme options complete
 - Feasibility study and concept design for lower section of the High Street and Broadway completed in liaison with HCC
 - Tender process for archaeology consultant completed in collaboration with HE and independent archaeologists. Appointment – May 2020
 - Way forward for Coitbury House / Kings Walk agreed



Next Steps



- Commission feasibility study to look bringing upper floors of Kings Walk back into use
- Commission hotel study to look at supply and demand in the context of the local economy and advise on size, location, rates etc.
- Develop and implement stakeholder management plan



- Develop and agree communications and engagement plan
- Develop and agree bus and public transport solution
- Appoint consultant to carry out archaeology investigations
- Investigate potential options for bringing Coitbury House and Friarsgate Medical Centre back into use
- Complete development framework
- Develop strategy for the development framework and seek approval
- Movement Strategy – continue to liaise with HCC on how best to incorporate emerging themes into the development proposals for the CWR area

Summary		Status & Progress		Project Milestones
Climate Emergency response		Current Quarter	Previous Quarter	<ul style="list-style-type: none"> 05/06/2019 - Declaration Climate Emergency, report CAB3171 refers 05/09/2019 – External Stakeholder event 18/09/2019 – WCC members Carbon Neutrality workshop 09/10/2019 - Health & Environment Policy Committee 23/12/2019 - Cabinet Approval of Winchester Carbon Neutrality Action Plan 2020-2030 (CAB3203) 04/03/2020 – Health and Environment Policy Committee Progress Update 1/4/2020 – All electricity to Council buildings from renewable sources
Project Phase: Delivery				
Project Start: June 2019	Project End: Dec 2024 / 2030			
Project Sponsor: Richard Botham	Project Executive: Susan Robbins			
Project Budget: To be determined	Spend to date: Nil			
Project Update & Next Steps				
<p>Q4 2019/20</p> <p>Since approval of the Action Plan in December 2019, the following progress has been made:</p> <ul style="list-style-type: none"> All electricity used in Council buildings now from renewable sources, cutting carbon emissions by 19% £10m investment approved to retrofit additional energy efficiency measures to existing Council homes Over 500 new trees planted 849m2 of solar panels added to Sports and Leisure Park Funding for network of Electric Vehicle charging points approved Review of Council buildings to identify energy efficiency improvements completed LEP grant bid submitted to support provision of additional Park and Ride in Barfield Close, Winchester <p>Next Steps</p> <p>Proposals for spring/summer engagement have been delayed by COVID-19. However, proposed action for next quarter include:</p> <ul style="list-style-type: none"> Member briefing on Movement Strategy – June 2020 Progress update to Health and Environment Committee – June 2020 Internal officer workshop Finalise outturn report for 2019/20 Carbon Emissions report 				

- Establish key stakeholder partnership with initial meeting planned for second quarter.
- Final approval for additional Park and Ride site – June 2020
- Proposals for additional solar installations in partnership with local businesses to be brought forward

Summary		Status & Progress		Project Milestones
Environmental Services Contract		Current Quarter	Previous Quarter	<ul style="list-style-type: none"> • 13/12/18 – Kerbside glass collection and contract strategy report considered by Overview and Scrutiny Committee • 18/12/18 - Cabinet approval for Environmental Services, Kerbside glass collection and contract strategy • Feb/Mar 2019 - Member /Stakeholder workshops • Jun 19 - Cabinet to consider and approve procurement of <u>waste services</u> • Aug 2019 – Invitation to Tender issued • Oct 2019 – Deadline for return of completed Tenders • 01/10/19 - 1 year Waste Collection Services (including introduction of Kerbside glass collection) contract renewal start • 1/10/19 - Environmental Services contract start • Feb 2020 - Cabinet approval of Preferred bidder • Mar 2020 - Contract mobilisation • 26/09/2020 - New Waste Collection Services contract start • June 2020 – Paper going to Cabinet setting out details for the subscription of the Garden Waste Service • February 2021 – Launch of Subscription of Garden Waste Service
Project Phase: Design				
Project Start: January 2018	Project End: December 2020			
Project Sponsor: Laura Taylor	Project Executive: Steve Tilbury			
Project Budget: £225,000	Spend to date: £170,000			
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Project Update & Next Steps				
<p>Currently in contract extension period prior to new contract start which was originally set for the end of September 2020.</p> <p>Delays to vehicle procurement caused by COVID-19 may require short further extension before new contract terms can operate fully and this will be the subject of a report to a future Cabinet meeting.</p> <p>Project will be redefined to include implementation of charged garden waste service if this is agreed by Cabinet in July.</p>				

Summary		Status & Progress		Project Milestones
Local Plan Review		Current Quarter	Previous Quarter	<ul style="list-style-type: none"> • 18/07/2018 – Local Plan launch (CAB3026(LP)) • 03/12/2018 – Local Plan Committee approval of SHELAA, SCI. LDS • 19/06/2019 - Update report to Cabinet • 19/06/2019 – Cabinet approval of Strategic Housing and Economic Land Availability Assessment (SHELAA) • 11/03/2020 – Cabinet agree an updated Local Development Scheme (timetable for the new LP) • Cabinet agree Strategic Issues & Options document Aug 2020 • Engagement and consultation on the Strategic Issues & Options document – Sept/Oct 2020 • Draft local plan published for consultation – March/April 2021 • Consultation responses assessed and updated – Autumn 2021 • Pre submission plan consultation – Dec 2021/Jan 2022 • Draft plan submitted – March 2022 • Examination in public – Sept/Oct 2022 • Modifications • Local Plan 2036 adopted – January 2023
Project Phase: Planning				
Project Start: 2018	Project End: 2023			
Project Sponsor: Steve Tilbury	Project Executive: Adrian Fox			
Project Budget: £600,000	Spend to date: £146,000			
Project Update & Next Steps				
<ul style="list-style-type: none"> • <i>Commissioning of technical evidence - ongoing.</i> • Dec 2020 – Completion of evidence base • Parish Council workshops held October 2018 and March 2019. • Duty to Cooperate meetings – ongoing <p>Next Steps:</p> <ul style="list-style-type: none"> • To implement the actions as set out in Cabinet report considered in September 2019 (CAB3191) relating to the means of engagement on the Local Plan, including producing a Strategic Issues & Option document' and updating the "Vision for Winchester." Consultants have been appointed to update the new Vision for the city – this work has unfortunately, been delayed as a result of COVID-19 and is now expected to be completed in Autumn 2020. 				

Summary		Status & Progress		Project Milestones		
<u>Station Approach</u>		Current Quarter	Previous Quarter	Approvals/ Milestones	Date of decision	Decision body
Project Phase: Procurement and Design				- RIBA Stage 0-1- Carfax site	27 February 2018	CAB3021(SA)
Project Start: February 2015	Project End Date: Q3 2025			- Masterplan Framework		
Project Sponsor: Chas Bradfield	Project Executive: Ian Charie			- Public Realm Strategy		
				- RIBA Stage 2 (Concept Design) - Carfax site	25 March 2019	CAB3144(SA)
				- Outline Business Case		
				- Sale of site with leasehold,	28 August 2019	CAB3172
				- Public Realm RIBA Stage equivalent 3 design works		
				- Grant of Outline Planning Permission with conditions. 19/00601/OUT	12 September 2019	Planning Committee
				- Purchaser selection process (further information requested for 23 Oct Cabinet)	18 September 2019	CAB3188
				- Enter into LEP Agreement and £5m grant	25 September 2019	Full Council (CAB3172)
				- Carfax: Project on hold following quashing of Consent after application for judicial review.	20 January 2020	Leaders Board
				- Public Realm: On hold pending future funding becoming identified/secured		
				- Pause due to COVID-19 recommended	21 May 2020	Cabinet

	Budget	Expenditure	Planned and Committed
Carfax			
Capital	£1,800,000	£321,234	£0
Revenue	£2,110,000	£1,788,035	£168,705
Public Realm			
Revenue	£225,000	£225,000	Covered in Carfax budget

Project Update & Next Steps



Cabinet will review progress of Station Approach in light of updated advice regarding office demand post-COVID-19.

Key risks for the current stage – reconsideration of planning approach and potential resubmission – are set out below. Other risks relating to market impact, disposal approach etc. are recorded in Wrike.

Task	Key risk	Risk Score	Impact (1-4)	Likelihood (1-4)	Mitigation
Cabinet to reconsider approach to be taken	Affect on market, previous concerns	6	3	2	Evidence and stakeholder engagement prior to key decision making
WCC to meet stakeholders	Unable to address all areas of concern at this stage of the design process.	12	3	4	Proactive consultation and stakeholder engagement
Planning led consultation and consideration	Planning decision process may take longer than the 13 week period, in particular if additional regional design panel reviews are made a requirement. Previous process ran between 29 March and 12 September, so could take between 15-26 weeks	12	3	4	Monitor progress
Further application for Judicial Review	Planning or other decision challenge	12	3	4	Ensure consultation and stakeholder engagement work prior to key decisions and planning application submission; and due process is followed to ensure a robust application.
Change to scope and approach within market uncertainty	Need to agree scope for any change, and budget for associated work ; impacts for cost, viability and market	8	4	2	Retain flexibility within scheme, but within parameter plans in any outline planning application submission

Next steps:

Scheme to be reviewed in light of Council Plan and emerging new Economic Strategy as part of long term approach to development and regeneration within the district, and following review of demand in a post COVID-19 context.

Summary		Status & Progress		Project Milestones
<u>Winchester Sport & Leisure Park</u>		Current Quarter	Previous Quarter	<ul style="list-style-type: none"> • Options appraisal – 2013 to 2015 - Completed • Feasibility assessment of preferred option – 2016 - Completed • Prepare Outline Business Case for preferred option - 2016/17 - Completed • Outline Business Case – 16 January 2018 - Completed • Prepare and seek planning permission – 2018 - Completed • Operator procurement process– January 2019 - Completed • Full Business Case – February 2019 - Completed • Sign contract with construction contractor and operator – March 2019 - Completed • Start on site – March 2019 – Completed • Construction period – March 2019 to December 2020 – current stage • Completion – Spring 2021
Project Phase: Construction				
Project Start Date: 01 May 2013	Projected End Date: Spring 2021			
Project Sponsor: Chas Bradfield	Project Executive: Andy Hickman			
Project Budget: Capital: £43,066,000 Revenue: £759,402	Total Actual Spend: Total: £18,749,441			
Project Update & Next Steps				
<p>Project Update</p> <p>Willmott Dixon Construction has made a considerable effort to keep the site operational throughout the COVID-19 epidemic, in line with government advice for construction projects to continue where possible. Initially resource levels did drop however they have now managed to get more people on site, all the while adhering to strict procedures for social distancing with additional welfare facilities being brought to site to assist.</p> <ul style="list-style-type: none"> • There has therefore been progress with the works on site. Structural frame has been coated in all zones, façade works have been completed, along with roof finishes, curtain walling installation, mechanical and electrical installations and internal partitions in various zones of the building. • Main pool testing has commenced. • S278 agreement signed with HCC <p>Next Steps</p> <ul style="list-style-type: none"> • Works to the car park to continue • Main HV diversion to be completed by SSE in order for main roundabout works to be mobilised for start in July 2020 • Ongoing discharge of planning conditions • Continued delivery of offsite access works – roundabout construction to start mid July • Ongoing engagement with users of the centre • Ongoing working meetings with operator 				

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Strategic Key Performance Indicators

Ref	What we want to achieve	KPI Definition	Cabinet Member	Lead Strategic Director	Lead CHoS	Frequency of reporting	Polarity	Latest Data	Pre 2020/21 Target (if applicable)	R A G Status	KPI Target 2020/21
	Tacking Climate Emergency										
TCE01	Winchester City Council to be carbon neutral	WCC carbon emissions	Climate Emergency & Local Economy	Places	Engagement	Annual	Lower = better	4.005.19 tCO2e 2018/19 figure	Not applicable	Not applicable	20% reduction on 2018/19 figure
TCE02	Reduced levels of waste and increased recycling	Percentage of household waste sent for reuse, recycling and composting	Service Quality & Transformation	Services	Regulatory	Monthly	Higher = better	36.1% (2018/19) 41st out of 54 collection authorities in South East	No target set for 2019/20	Not applicable	Improving SE ranking of 41 st in 2018/19
TCE03	Reduced levels of waste and increased recycling	Kgs of domestic residual waste collected per household	Service Quality & Transformation	Services	Regulatory	Monthly	Lower = better	461kg (2018/19) /household 38 th out of 54 South East collection authorities	No target set for 2019/20	Not applicable	Improving SE ranking of 38 th in 2018/19
TCE04	Reduced levels of waste and increased recycling	Percentage of recycling waste contaminated	Service Quality & Transformation	Services	Regulatory	Quarterly	Lower - better	13.33% contamination from 43 samples. 2 nd best performance of Hampshire authorities. Up from 13% in 18/19	No target set for 2019/20	Not applicable	Top quartile in Hampshire authorities
TCE05	An increase in the proportion of journeys taken by walking, cycling and public transport	No. Bus users	Service Quality & Transformation	Place	Head of Programme	Annual	Higher = better	4.2m passenger journeys in the year 2019 in Winchester and surrounding area (Stagecoach figures) . NB 2020 patronage figs severely distorted	No target set for 2019/20	Not applicable	2019 baseline data – target to be considered in line with WMS and in Liaison with HCC
TCE06	An increase in the proportion of journeys taken by walking, cycling and public transport	Proportion of visitors using parking sessions in each of three main areas of parking, central, inner, and outer	Service Quality & Transformation	Services	Regulatory	Quarterly	Higher = better	Centre 63.50% Inner 21.00% P&R 15.50%	No target set for 2019/20	Not applicable	To be developed
TCE07	An increase in the proportion of journeys taken by walking, cycling and public transport	Traffic movement into Winchester	Service Quality & Transformation	Services	Head of Programme	Annual	Higher = better	Average daily traffic flows (HCC source) St Cross Rd 13,500 Stockbridge Rd	No target set for 2019/20	Not applicable	2019 baseline data – target to be considered in line with WMS and in Liaison with HCC

Ref	What we want to achieve	KPI Definition	Cabinet Member	Lead Strategic Director	Lead CHoS	Frequency of reporting	Polarity	Latest Data	Pre 2020/21 Target (if applicable)	R A G Status	KPI Target 2020/21
								7,300 Andover Rd (N) 12,000 St Cross Rd 9300 NB 2020 traffic figs severely distorted			
TCE08	The Winchester district to be carbon neutral by 2030	District carbon emissions - annual report - year on year reduction	Climate Emergency & Local Economy	Services	Engagement	Annual	Lower - better	629,000 tCO ₂ e 2016/17	N/A	Not applicable	Reduction on 2016/17 figure
TCE09	The Winchester district to be carbon neutral by 2030	Produce Local Plan - plan adoption	Climate Emergency & Local Economy	Services	Regulatory	6 monthly	N/A	Evidence base being developed.	N/A		Deliver Plan to adoption in accordance with Local Development Scheme.
TCE10	Safeguard our district's extensive natural habitats and precious ecosystems by delivering the actions in our Biodiversity Action Plan	Deliver the actions in the approved Biodiversity Action Plan (BAP) - percentage completed	Climate Emergency & Local Economy	Services	Regulatory	Annual	Higher = better	Biodiversity Plan not yet approved	Not applicable	Not applicable	Available once BAP approved
TCE11	Safeguard our district's extensive natural habitats and precious ecosystems by delivering the actions in our Biodiversity Action Plan	Number of trees planted per year	Climate Emergency & Local Economy	Services	Regulatory	Annual	Higher = better	590	100		100
TCE12	Take a lead with partners and residents to deliver the Carbon Neutrality Action Plan throughout the district	Number and percentage of all parish councils (inc. Town Forum) that have local carbon reduction action groups / campaigns	Climate Emergency & Local Economy	Place	Engagement	Annual	Higher = better	Data not yet available	N/A	Not applicable	Baseline to be set when data available
TCE13	Take a lead with partners and residents to deliver the Carbon Neutrality Action Plan throughout the district	Number of people participating in carbon reduction event per year	Climate Emergency & Local Economy	Place	Engagement	Annual	Higher = better	No events held due to COVI-19	Not applicable	Not applicable	Baseline to be set when data available
TCE14	Improve Air Quality within the Air Quality Management Area	Improvement trends in nitrogen dioxide and particulates, with the intent of complying with national mandatory standards	Built Environment & Wellbeing	Services	Regulatory	Annual	Lower = better	St Georges St 2018: 41µg/m ³ 2019: 39µg/m ³ (First 6 months only) Chesil St & Romsey Rd 2018: 47.5µg/m ³ 2019: 47.2µg/m ³ (First 6 months only)	Compliance with air quality standards by implementing Air Quality Action Plan.	Not applicable	Review extent of AQMA in light of 2020 data as set out in CAB3217. NB: Covid-19 will impact this year's data set.
	Living Well										
LW01	Reduced health inequalities	Inequality in life expectancy	Sport, Leisure &	Place	Engagement	Annual	Lower =	2018 – 5.8 years	Not	Not	≤ 5.8 years

Ref	What we want to achieve	KPI Definition	Cabinet Member	Lead Strategic Director	Lead CHoS	Frequency of reporting	Polarity	Latest Data	Pre 2020/21 Target (if applicable)	R A G Status	KPI Target 2020/21
		at birth (male)	Communities				better		applicable	applicable	
LW02	Reduced health inequalities	Inequality in life expectancy at birth (female)	Sport, Leisure & Communities	Place	Engagement	Annual	Lower = better	2018 – 6.4 years	Not applicable	Not applicable	≤ 6.4 years
LW03	Increase in physical & cultural activities	Number of users of the Winchester Sport & Leisure Park	Sport, Leisure & Communities	Place	Engagement	Annual	Higher = better	Figures available after new centre opens	Not applicable	Not applicable	Not yet published
LW04	Increase in physical & cultural activities	Percentage of adults participating in 150 minutes of sport or physical activity per week within the Winchester district	Sport, Leisure & Communities	Place	Engagement	Annual	Higher = better	November 2019 71.4%	Increased %	Not applicable	≥ 71.4%
LW05	Increase in physical & cultural activities	Number of adults with long-term health conditions engaged with physical activity (Winchester City Council - Active Lifestyles Scheme data)	Sport, Leisure & Communities	Place	Engagement	Annual	Higher = better	2019/20 - 469	Increased %	Not applicable	200
LW06	Increase in physical & cultural activities	Increase participation in the Cultural Network in order to strengthen engagement with and support of the arts and cultural sector working collaboratively to strategically develop the offer	Sport, Leisure & Communities	Place	Engagement	Annual	Higher = better	23 organisations	N/A	Not applicable	+10%
	Homes for All										
HA01	All homes are energy efficient and affordable to run	% of all WCC homes achieving energy efficiency rating of C or above	Housing & Asset Management	Services	Housing	Annual	Higher = better	60%	Not applicable	Not applicable	62%
HA02		% all new homes achieving suitable energy standard	Housing & Asset Management	Services	Housing	Annual	Higher = better	80%	Building Regs +19%		100%
HA03	Creating communities not just homes	No. of households in district (all tenures)	Housing & Asset Management	Services	Housing	Annual	Higher = better	54,017	Not applicable	Not applicable	Trend data for monitoring only
HA04	No one sleeping rough except by choice	No. of rough sleepers	Housing & Asset Management	Services	Housing	Annual	Lower = better	0	Not applicable	Not applicable	Trend data for monitoring only
HA05	Creating communities not just homes	No. of new homes planned (5 year supply)	Housing & Asset Management	Services	Regulatory	Annual	Higher = better	505	Not applicable	Not applicable	500
HA06	Creating communities not just homes	No. of new homes started / completed	Housing & Asset Management	Services	Housing	Monthly	Higher = better	Started 121 Completed 19	Not applicable	Not applicable	Complete 121 Start 85
HA07	Creating communities not just homes	WCC housing stock, directly owned, housing company	Housing & Asset Management	Services	Housing	Annual	Higher = better	0	Not applicable	Not applicable	Complete 5 new houses

	Vibrant local economy										
VLE01	Grow opportunities for high-quality, well paid employment across the district	No. of business enterprises in professional/ technical sectors	Climate Emergency & Local Economy	Place	Engagement	Annual	Higher = better	21.3%	N/A	Not applicable	Trend data for monitoring only
VLE02	Grow opportunities for high-quality, well paid employment across the district	Close the gap between workplace earnings and residents' earnings	Climate Emergency & Local Economy	Place	Engagement	Annual	Lower = better	£105.4	N/A	Not applicable	Trend data for monitoring only
VLE03	Grow opportunities for high-quality, well paid employment across the district	Productivity measure – gross value added (GVA) per head	Climate Emergency & Local Economy	Place	Engagement	Annual	Higher = better	£39,714	N/A	Not applicable	Trend data for monitoring only
VLE04	New offices and workspace are located in areas with sustainable transport links or where they reduce the need to travel to work	Amount of floor space developed in market towns (planning approvals)	Climate Emergency & Local Economy	Services	Regulatory	Annual	Higher = better	Data not available	Not applicable	Not applicable	Refer to Planning team
VLE05	More younger people choose to live and work here	Percentage of residents aged 25-35 years old	Climate Emergency & Local Economy	Place	Engagement	Annual	Higher = better	11.4%	N/A	Not applicable	Trend data for monitoring only
VLE06	Businesses grasp opportunities for green growth	No. of businesses engaged on carbon reduction measures/ projects	Climate Emergency & Local Economy	Place	Engagement	Annual	Higher = better	Data not yet available	N/A	Not applicable	Baseline to be set when data available
VLE07	Businesses grasp opportunities for green growth	Crowd funder grants offered for green projects	Climate Emergency & Local Economy	Place	Engagement	Annual	Higher = better	0	N/A	Not applicable	Launched 15/6/20
VLE08	The city, market towns and rural communities across our district have a compelling and competitive visitor offer (including festivals)	Visitor stay length increasing	Climate Emergency & Local Economy	Place	Engagement	Annual	Higher = better	2.6 days domestic 6.7 days overseas	N/A	Not applicable	Trend data for monitoring only
VLE09	The city, market towns and rural communities across our district have a compelling and competitive visitor offer (including festivals)	Visitor spend increases	Climate Emergency & Local Economy	Place	Engagement	Annual	Higher = better	£263.4m	N/A	Not applicable	Trend data for monitoring only
VLE10	The city, market towns and rural communities across our district have a compelling and competitive visitor offer (including festivals)	Value of tourism to the economy increases	Climate Emergency & Local Economy	Place	Engagement	Annual	Higher = better	£339m	N/A	Not applicable	Trend data for monitoring only
VLE11	The city, market towns and rural communities across our district have a compelling and competitive visitor offer (including festivals)	Deliver tourism marketing activities alongside sector and key stakeholder engagement to influence Winchester's competitive position comparative with the South East and all of England, strengthening the number of trips to Winchester	Climate Emergency & Local Economy	Place	Engagement	Annual	Higher = better	5.05m trips	N/A	Not applicable	Trend data for monitoring only

VLE12	Grow opportunities for high-quality, well paid employment across the district	Business support service - percentage of businesses using the service seeing an increased turnover, improved efficiency or progression to a more sustainable business module. Service currently contracted to June 2021	Climate Emergency & Local Economy	Place	Engagement	Annual	Higher = better	New outcome based KPI for 2020/21. Previous data collected against different KPI, see Q4 report	N/A	Not applicable	50%
VLE13	Grow opportunities for high-quality, well paid employment across the district	% of procurement spend with local suppliers	Finance & Risk	Resources	Strategic Support	Quarterly	Higher = better	Revenue Spend 21.99% (19/20) Capital Spend 46.60% (19/20)	N/A	Not applicable	≥ 21.99% Revenue ≥ 46.60% Capital
Your Services. Your Voice											
YSYV01	Improving satisfaction for our services	Residents' Survey – satisfaction with the way the council runs things	Service Quality & Transformation	Resources	Strategic Support	Biennial	Higher = better	79% (2019 survey)	2019 survey base data	Not applicable	≥ 79%
YSYV02		Tenants' Survey – satisfaction with the overall service provided by the council	Housing & Asset Management	Services	Housing	Biennial	Higher = better	87% (2019 survey)	Not applicable	Not applicable	≥ 87%
YSYV03	Good value compared to other similar authorities	Residents' Survey – percentage of residents who agreed the council provides value for money	Service Quality & Transformation	Resources	Strategic Support	Biennial	Higher = better	65% (2019 survey)	2019 survey base data	Not applicable	≥ 65%
YSYV04	Improving satisfaction for our services	Percentage of upheld complaints	Service Quality & Transformation	Resources	Strategic Complaints	Quarterly	Lower = better	59% 2019/20	Not applicable	Not applicable	≤ 59%
YSYV05		No. of valid Ombudsman complaints	Service Quality & Transformation	Resources	Strategic Support	Annual	Lower = better	1 2018/19	Not applicable	Not applicable	0
YSYV06	Improving satisfaction for our services	Availability of WCC critical infrastructure services excluding planned downtime - email - storage - telephony - document management system(s)	Service Quality & Transformation	Resources	IT	Monthly	Higher = better	Email 100% Storage 100% Telephony 99.5% DMS 100%	Average 99.95%		≥ 99.5%
YSYV07	Improving satisfaction for our services	Efficient waste collection services - missed bin collection report	Service Quality & Transformation	Services	Regulatory	Monthly	Lower = better	AWC Q4 2019/20 68.89 per 100k bin collections	AWC 144 per 100k bin collections		Contract compliance

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General Fund Capital Expenditure Outturn 2019/20

Details	Outcome	2019/20					Comments	
		Revised budget (CAB3168)	Approved changes	Approved budget	Actuals	Under / (over) spend		
		£000	£000	£000	£000	£000		
Approved*								
Winchester Sport & Leisure Park	Provision of new leisure centre	Living well	19,730	205	19,935	15,270	4,665	Increased budget to allow an increase in solar PV. Project due for completion in spring 2020
Partnered Home Purchase scheme	Investment in open market shared ownership properties	Homes for all	2,501	-	2,501	1,350	1,151	Eight purchases in year bringing total to eleven. Pilot scheme now ended
Disabled Facility Grants	Help towards cost of home modifications	Homes for all	1,468	-	1,468	1,270	198	
Bishop's Waltham Depot	Industrial Units	Vibrant local economy	1,311	-	1,311	3	1,308	Main works now expected to commence in Autumn 2020
Flood Prevention Works	Durmgate flood prevention scheme	Climate emergency	1,145	-	1,145	209	936	Spend in 2019/20 on preliminaries with main works in 2020/21
SAPS - Car Park at the Dean, Alresford	Acquisition of land and car park development	Vibrant local economy	1,005	-	1,005	-	1,005	Ongoing negotiations with developer is causing delays to the project
SAPS - Central Winchester	Friarsgate and 158-165 High St - acquisition and refurbishment	Vibrant local economy	1,098	-	1,098	15	1,083	Minor works to toilet block at rear of the high street properties
Replacement surgery	Replacement surgery in City Centre	Living well	3,842	(3,092)	750	54	696	Small spend on preliminaries; budget profile revised in September 2019 (CAB3180)
CIL funded community projects	Community infrastructure projects	Living well	500	135	635	34	601	Projects approved by Cabinet in October 2019 (CAB3194) - most grants expected in 2020/21
Matley's Yard	Small business unit and Council storage	Vibrant local economy	573	-	573	-	573	Budget no longer required
Coventry House (Vaultex)	Acquisition and car park development	Vibrant local economy	414	-	414	121	293	Demolition completed in year with surfacing planned for 2020/21
Car Parks	Various	Vibrant local economy	543	-	543	261	282	Energy efficient lighting installed at the Brooks and Colebrook St resurfaced
West Wing Refurbishment	Refurbishment	Your services, your voice	500	-	500	15	485	Works have commenced
IMT Assets	Various	Your services, your voice	347	49	396	206	190	Replacement IMT infrastructure, replacement of multi-functional devices, and purchase of legal software
Chesil Multi Storey car park	Essential capital works	Vibrant local economy	350	-	350	-	350	Resurfacing levels 9 and 10 and replacing fire doors - works now planned for 2020
North Walls Pavilion	Replacement pavilion	Living well	300	-	300	-	300	Works to be completed in 2020/21
The Weirs - Essential Repairs	Essential infrastructure repairs to the river bank	Vibrant local economy	175	-	175	-	175	Works expected to commence in summer 2020
Recycling Bins	Glass collection	Your services, your voice	150	20	170	161	9	Project complete
Abingdon House	External and internal remedial works	Your services, your voice	145	-	145	155	(10)	Refurbishment works
Chilcomb Pavilion improvements	Improvements at Chilcomb sports ground	Living well	-	135	135	41	94	Works commenced - approved for funding by CIL in October 2019 (CAB3194)
River Park Leisure Centre	Essential capital repairs	Living well	135	-	135	47	88	
Hampshire Community Bank	Direct share purchase	Vibrant local economy	125	-	125	63	62	Third of four instalments paid
IMT Smart District - WiFi	Wi-Fi Infrastructure	Vibrant local economy	103	-	103	54	49	Project complete
Printer replacements	Large and wide format printers	Your services, your voice	50	43	93	92	1	Purchases complete and expected to deliver savings against leasing cost
Chesil Theatre Capital Grant	Improvement works (capital grant)	Living well	90	-	90	-	90	Chesil Theatre still awaiting action from landowners before they can progress their own scheme
Garrison Ground Pitch & Boxing Club	Works to temporarily re-house boxing club	Living well	82	-	82	11	71	
Open Spaces - Gordon Avenue	Approved play area refurbishments and replacements	Living well	80	-	80	80	-	Project complete
Station Approach - Project Development	Commercial and residential development	Vibrant local economy	79	-	79	-	79	Remaining budget from prior year - removed at February 2020 budget
Hyde HA Waltham Chase Grant	Grant to Housing Association	Homes for all	75	-	75	-	75	To be paid in Q1 2020/21
City office refurbishment and CAB works	Refurbishment including main reception	Your services, your voice	64	-	64	142	(78)	Project complete
Depot	Replace electricity supply to depot	Vibrant local economy	61	-	61	-	61	Pending works by Southern Electric
Winchester Hospice Grant	Capital Grant	Living well	50	-	50	-	50	To be paid in 2020/21
Guildhall microphones	Replacement committee microphones	Your services, your voice	-	40	40	-	40	To be purchased in 2020/21
Broadway bus shelters	Replacement shelters on the Broadway, Winchester	Your services, your voice	-	40	40	-	40	Order placed
Digital Signage pilot	Installation of digital signs at Toursit Information Centre and Guildhall	Your services, your voice	35	-	35	-	35	To be completed in 2020/21
Kayac Building	Acquisition and repairs	Vibrant local economy	28	-	28	-	28	Budget no longer required
Winchester Science Centre grant	Capital Grant	Living well	25	-	25	-	25	To be paid in 2020/21
Handlebar Café	Capital Grant	Living well	25	-	25	25	-	Project complete
Open Spaces & Recreational Facilities	Teg Down Meads play area replacement	Living well	25	-	25	25	-	Project complete
Enveloping Machine	Replacement - current machine at end of life	Your services, your voice	10	-	10	9	1	Machine purchased in April 2019.
Air Monitoring Equipment	Replacement of existing equipment	Climate emergency	-	-	-	24	(24)	Revenue expenditure identified as capital
12 and 13 Kings Walk	Fit out and combination of units in order to lease out	Vibrant local economy	-	-	-	63	(63)	Revenue expenditure identified as capital
Cipher House Racking	Special maintenance	Your services, your voice	-	-	-	19	(19)	Revenue expenditure identified as capital
City Offices - Solar PV	Installation of solar PV on city offices	Climate emergency	-	-	-	1	(1)	Project complete - late dated invoices from prior year
Total Approved*			37,239	(2,426)	34,814	19,821	14,993	

General Fund Capital Expenditure Outturn 2019/20

Details	Outcome	2019/20					Comments
		Revised budget (CAB3168)	Approved changes	Approved budget	Actuals	Under / (over) spend	
		£000	£000	£000	£000	£000	
Subject to Appraisal							
Strategic Asset Purchase Scheme (SAPS)	Vibrant local economy	18,009	-	18,009	-	18,009	Unallocated SAPS budget - no suitable purchases were identified in year
Station Approach - Public Realm	Improvements to the Public Realm	2,500	-	2,500	-	2,500	External funding no longer available
Coitbury House	Major refurbishment	2,100	-	2,100	-	2,100	Options for Central Winchester Regeneration (CWR) area being considered
Station Approach - Project Development	Commercial and residential development	1,400	-	1,400	-	1,400	Remaining budget from prior year - removed at February 2020 budget
King George V Pavilion	Replacement pavilion	1,000	-	1,000	-	1,000	Options being considered
Chesil Multi Storey car park	Essential capital works	511	-	511	-	511	Remaining budget for capital works
Housing Company	Provision of housing at sub-market level rents	500	-	500	-	500	Company registration in 2020/21
South Winchester Coach Park	Replacement coach park	400	-	400	-	400	Budget requirement now reduced to £35,000 (CAB3239)
Abbey House	External and internal remedial works	249	-	249	-	249	Unallocated
Asset Management Plan	Reactive capital works to Estate	200	-	200	-	200	No works identified in year
Open Spaces & Recreational Facilities	North Walls refurbishment	150	-	150	-	150	Project delayed
68 St Georges Street	Refurbishment	125	-	125	-	125	Works delayed
IMT Smart District	Infrastructure and App	107	-	107	-	107	Remaining budget no longer required
59 Colebrook Street	Refurbishment	100	-	100	-	100	Works delayed
2-3 Bridge St	Remedial works to listed building	100	-	100	-	100	Budget no longer required
Goods Shed, Barfield Close	Small business units - options being explored	50	-	50	-	50	Options being considered
Energy Management Projects	Energy efficiency and generation projects	250	(205)	45	-	45	£205,000 transferred to Sport & Leisure Park budget to enable increased solar PV
Subject to Appraisal*		27,751	(205)	27,546	-	27,546	
Total General Fund capital expenditure		64,990	(2,631)	62,360	19,821	42,539	
SAPS - Transfer of HRA Garages to GF	Your services, your voice	2,764	-	2,764	1,754	1,010	Based on independent valuation of 364 garages transferred in year
Total General Fund capital		67,754	(2,631)	65,124	21,575	43,549	

* Under the Council's Financial Procedure Rule 7.4, the inclusion of a scheme in the capital programme does not constitute authority to incur the expenditure. Such authority is obtained subject to the various conditions and limits as set out in the Constitution.

WINCHESTER TOWN ACCOUNT - 2019/20 Outturn	Budget	Forecast	Outturn	Variance to budget
	£	£	£	£
<u>Cost of Services</u>				
Recurring Budgets:				
Allotments	(1,864)	(1,864)	(2,458)	594
Bus Shelter Cleaning / Maintenance / New Provision	10,000	10,000	8,782	1,218
Cemeteries	34,073	34,073	54,604	(20,531)
Christmas Lights	8,946	8,946	7,500	1,446
Community Speed Watch	1,000	0	0	1,000
Neighbourhood Service Officers (Contribution)	45,000	45,000	45,000	0
Footway Lighting	20,642	20,642	8,351	12,291
Grants	60,000	27,000	27,000	33,000
Grants Bidding Process		33,000	3,000	(3,000)
- Theatre Royal (Contribution)	20,000	20,000	20,000	0
Support Costs for Grant Scheme	2,000	2,000	2,000	0
Grit Bins	1,000	500	0	1,000
Maintenance Work to Council Owned Bridges	5,500	5,500	797	4,703
Night Bus Contribution	13,545	6,652	9,920	3,624
Public Conveniences (Contribution)	50,000	50,000	50,000	0
Recreation Grounds & Open Spaces	633,378	633,378	632,001	1,377
Town Forum Support	5,000	5,000	5,000	0
Total Recurring Budgets	908,220	899,828	871,497	36,723
One-off Budgets:				
St Maurice's Covert	22,095	47,287	41,500	(19,405)
Community Infrastructure	50,000	50,000	0	50,000
Total One-off Budgets	72,095	97,287	41,500	30,595
Total Cost of Services	980,315	997,115	912,997	67,318
<u>Taxation and Non-specific grant income</u>				
Council Tax Income	(967,333)	(967,335)	(967,335)	2
Interest on Balances	(1,590)	(4,330)	(3,827)	2,237
Total Taxation and Non-specific grant income	(968,923)	(971,665)	(971,162)	2,239
<u>Transfers to/(from) Earmarked reserves</u>				
(Surplus added to Reserves) / Deficit taken from Reserves	11,393	25,450	(58,165)	69,558
Capital Expenditure funded by Town Reserve	99,000	105,000	105,000	(6,000)
Release from Town Community Infrastructure Levy Reserve	(50,000)	(50,000)	0	(50,000)
Opening Reserve Balance (at 1st April)	(158,980)	(433,003)	(433,361)	274,381
Closing Reserve Balance (carried forward)	(98,588)	(352,553)	(386,526)	287,938

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GENERAL FUND EARMARKED RESERVES (£000)	2019/20	
	Opening Bal	Closing Bal
OPERATIONAL RESERVES		
Major Investment Reserve	(8,681)	(7,616)
Transformation	(667)	(593)
Council Plan Support	(611)	(145)
Community Grants & Commissions	(319)	(363)
Flood Support Schemes	(74)	(67)
Landscape Mitigation	(16)	(14)
Local Development Framework (LDF)	(454)	(382)
New Burdens	(679)	(389)
	(11,501)	(9,569)
ASSET RESERVES		
Property - Asset Management Reserve	(3,265)	(3,310)
Car Parks Property	(2,511)	(2,427)
Information Management and Technology	(571)	(532)
	(6,347)	(6,269)
RESTRICTED RESERVES		
S106 (Interest)	(131)	(184)
Community Infrastructure Levy - General Fund	(7,603)	(8,928)
Community Infrastructure Levy - Winchester Town	(793)	(875)
Winchester Town Reserve	(433)	(387)
	(8,961)	(10,373)
RISK RESERVES		
Municipal Mutual Insurance	(139)	(139)
Transitional Reserve		(1,037)
Business Rates Retention	(1,167)	(1,000)
	(1,305)	(2,176)
Total General Fund Earmarked Reserves	(28,115)	(28,387)
General Fund Balance	(2,789)	(2,789)

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Forward Plan of Key Decisions

August 2020

The Forward Plan is produced by the Council under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. The purpose of the Plan is to give advance notice of Key Decisions to be made by the Cabinet, Cabinet Members or officers on its behalf. This is to give both Members of the Council and the public the opportunity of making their views known at the earliest possible stage.

This is the Forward Plan prepared for the period **1 - 31 August 2020** and will normally be replaced at the end of each calendar month.

The Plan shows the Key Decisions likely to be taken within the above period. Key Decisions are those which are financially significant or which have a significant impact. This has been decided, by the Council, to be decisions which involve income or expenditure over £250,000 or which will have a significant effect on people or organisations in two or more wards.

The majority of decisions are taken by Cabinet, together with the individual Cabinet Members, where appropriate. The membership of Cabinet and its meeting dates can be found [via this link](#). Other decisions may be taken by Cabinet Members or Officers in accordance with the Officers Scheme of Delegation, as agreed by the Council (a list of Cabinet Members used in the Plan is set out overleaf).

The Plan has been set out in the following sections:

Section A – Cabinet

Section B - Individual Cabinet Members

Section C - Officer Decisions

Anyone who wishes to make representations about any item included in the Plan should write to the officer listed in Column 5 of the Plan, at the above address. Copies of documents listed in the Plan for submission to a decision taker are available for inspection on the Council's website or by writing to the above address. Where the document is a committee report, it will usually be available five days before the meeting. Other documents relevant to the decision may also be submitted to the decision maker and are available on Council's website or via email democracy@winchester.gov.uk or by writing to the above



Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 refers to the requirement to provide notice of an intention to hold a meeting in private, inclusive of a statement of reasons. If you have any representations as to why the meeting should be held in private, then please contact the Council via democracy@winchester.gov.uk or by writing to the above address. **Please follow this link to definition of the paragraphs** (Access to Information Procedure Rules, Part 4, page 32, para 10.4) detailing why a matter may be classed as exempt from publication under the Local Government Acts, and not available to the public.

If you have any queries regarding the operation or content of the Forward Plan please contact David Blakemore (Democratic Services Manager) on 01962 848 217.

Cllr Lucille Thompson

Leader of the Council

30 June 2020

Cabinet Members:	Title
• Cllr Lucille Thompson	Leader & Cabinet Member for Communications
• Cllr Neil Cutler	Deputy Leader & Cabinet Member for Finance & Risk
• Cllr Paula Ferguson	Local Economy & Climate Emergency
• Cllr Kelsie Learney	Housing & Asset Management
• Cllr Jackie Porter	Built Environment & Wellbeing
• Cllr Malcolm Prince	Sport, Leisure & Communities
• Cllr Martin Tod	Service Quality & Transformation

	Item	Cabinet Member	Key Decision	Wards Affected	Lead Officer	Documents submitted to decision taker	Decision taker (Cabinet, Cabinet Member or Officer)	Date/period decision to be taken	Committee Date (if applicable)	Open/private meeting or document? If private meeting, include relevant exempt paragraph number	
Section A											
Decisions made by Cabinet											
Page 97	1	General Fund Budget 2020/21 - Update	Deputy Leader and Cabinet Member for Finance and Risk	Expenditure > £250,000	All Wards	Richard Botham	Cabinet report	Cabinet	Aug-20	Aug-20 (date tbc)	Open
		Strategic Issues & Options Consultation	Cabinet Member for Built Environment and Wellbeing	Significantly effects 2 or more wards	All Wards	Adrian Fox	Cabinet report	Cabinet	Aug-20	Aug-20 (date tbc)	Open
	3	Updated Strategic Housing & Employment Land Availability Assessment (SHELAA)	Cabinet Member for Built Environment and Wellbeing	Significantly effects 2 or more wards	All Wards	Adrian Fox	Cabinet report	Cabinet	Aug-20	Aug-20 (date tbc)	Open

	Item	Cabinet Member	Key Decision	Wards Affected	Lead Officer	Documents submitted to decision taker	Decision taker (Cabinet, Cabinet Member or Officer)	Date/period decision to be taken	Committee Date (if applicable)	Open/private meeting or document? If private meeting, include relevant exempt paragraph number
4	Land Transaction	Cabinet Member for Housing and Asset Management	Expenditure > £250,000	All Wards	Geoff Coe	Cabinet report	Cabinet	Aug-20	Aug-20 (date tbc)	Part exempt 3

Section B

Decisions made by individual Cabinet Members

	None									
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Section C

Decisions made by Officers

6	Treasury Management - decisions in accordance with the Council's approved strategy and policy	Deputy Leader and Cabinet Member for Finance and Risk	Expenditure > £250,000	All Wards	Designated HCC Finance staff, daily	Designated working papers	Designated HCC Finance staff, daily	Aug-20	Aug-20	Open
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