

COUNCIL – 21 JULY 2022

SUPPLEMENTARY REPORT

RECOMMENDATIONS OF THE EXECUTIVE

Executive Summary

This supplementary report sets out all the recommendations from the Executive, as set out in the minutes of the meetings of the Executive on 16 June 2022 and 14 July 2022.

THE EXECUTIVE – 16 JUNE 2022

7A. NOTICE OF MOTION - CLLR K DAVIS - HOUSING ALLOCATIONS EXE22-041

Councillor K M Davis

“It is vitally important that our residents directly benefit from new housing development in their local area. The Council already requires a 2-year local connection for applicants joining its Housing Register for affordable homes, as well as expecting any shared ownership homes secured through the Section 106 process to be first marketed to those living or working in the Borough.

However, the Council should consider going further in promoting a “Local First” approach by:

- Investigating any further flexibilities that could be incorporated into the Housing Allocations Policy to prioritise local residents;
- Exclusively marketing any new homes built and sold by Thamesway for a set period of time to residents living in that Ward or Neighbourhood Area;
- Considering a local connection policy for any new homes delivered under the Government’s new “First Homes” tenure that prioritises residents living in that Ward or Neighbourhood Area before opening up to the Borough.”

Councillor Davis attended the meeting and spoke in support of the Motion. The Leader advised that the Executive was broadly supportive of the Motion. However the Executive did have some concerns in relation to some of the criteria suggested, such as by Ward or Neighbourhood area, as it was considered necessary to have regard to residents who had moved away from an area temporarily. The Leader proposed an amendment to the Motion to read as follows:

“It is vitally important that our residents directly benefit from new housing development in their local area. The Council already requires a 2-year local connection for applicants joining its Housing Register for affordable homes, as well as expecting any shared ownership homes secured through the Section 106 process to be first marketed to those living or working in the Borough.

However, the Council should consider going further by asking officers to develop a scheme, in which, taking into account all other considerations of housing allocations, new homes are offered first to those with local connections, for a period of 3 months. These local connections

should be flexibly defined by ward, neighbourhood area, a certain distance or a natural boundary.”

The Executive agreed the amended Motion, noting the need to take into account existing housing criteria.

RECOMMENDED to Council

That the Motion, as amended by the Executive, be supported.

7B. NOTICE OF MOTION - CLLR D ROBERTS - BENEFITS MANAGEMENT EXE22-042

At its meeting on 31 March 2022, the Council referred the following Notice of Motion to the Executive.

Councillor D Roberts

“The council undertakes programmes of work to deliver benefits to the borough and controls are put in place to ensure the work is delivered on time, on budget and to scope. Whilst delivering to scope should result in the delivery of benefits, it may not always be the case. Complex projects spanning many years can require interim decisions to balance budgets, timescales, and scope because of issues arising throughout the life of the project.

This council is committed to both best practice and transparent project reporting including benefits tracking from the point at which it is considered for approval by members through to the conclusion and delivery of the project.

This council will therefore investigate how it will implement benefits management on all major projects as part of existing standard project controls such as risk and issues management.”

Councillor Roberts spoke in support of the Motion and drew attention to a suggested amendment to the wording of his Motion which recognised the Council’s current benefits management practices and which proposed improvement to the practice to ensure that any changes to benefits were reported back to Members. The Executive was invited to recommend the revised wording to the Council. The revised wording of the Motion reads as follows:

“The council undertakes programmes of work to deliver benefits to the borough and controls are put in place to ensure the work is delivered on time, on budget and to scope. Whilst delivering to scope should result in the delivery of benefits, it may not always be the case. Complex projects spanning many years can require interim decisions to balance budgets, timescales, and scope because of issues arising throughout the life of the project.

This council is committed to both best practice and transparent project reporting including benefits tracking from the point at which it is considered for approval by members through to the conclusion and delivery of the project.

This council will therefore investigate how it will improve its current benefits management practices to ensure that changes to benefits are tracked during the execution phase and reported to any council meeting in which project decisions are being made or project updates are being received by members. Also to report back, to full council, an analysis of any differences to the benefits captured at the time the project was approved against benefits realised at project closure.”

The Executive welcomed the Motion and noted the importance of benefits management. It was recognised that some projects were particularly complex, spanned many years, and had changed in scope since first agreed. Therefore the Executive was supportive of the need to

track changes to project benefits. The Executive agreed to recommend the revised Motion to Council.

RECOMMENDED to Council

That the Motion be supported.

7C. SUPPLEMENTARY AND AMENDED PRIORITIES - WOKING FOR ALL STRATEGY EXE22-051

The Leader of the Council, Councillor Barker, introduced the report which sought approval of the supplementary and amended priorities to the Council's Woking for all Strategy 2022-27 following the change in administration. The Leader stated that the aim of updating the Strategy was to achieve gradual change through decisive and targeted actions, taking an approach that was affordable, responsible and sustainable. It was noted that the Strategy had been refreshed to build upon the new administration's key priorities of financial responsibility, a Masterplan for the Town Centre, and taking the Council carbon neutral.

The Executive supported the supplementary and amended priorities to the Woking for all Strategy. The planned work with partners to tackle the Cost of Living crisis, including holding a Cost of Living summit in the Autumn, was particularly welcomed.

RECOMMENDED to Council

That the supplementary and amended priorities for 2022-23 to the Woking for all Corporate Strategy 2022-27, as attached to the report, be adopted.

Reason: To enable the Council to clearly articulate its strategic objectives and focus of work within the Council and beyond.

7D REVIEW OF COMMUNITY GRANTS EXE22-046

Councillor Forster, Deputy Leader of the Council, introduced the report which recommended to Council a proposed new partnership between the Council and the Community Foundation for Surrey whereby the Community Foundation would administer community grants on behalf of the Council. Councillor Forster explained that the proposed new approach would enable community beneficiaries to apply for funding from a range of sources through one single expression of interest to the Community Foundation, creating a 'one stop shop'. It was noted that the Woking-based Community Foundation already administered the Woking Community Fund, as well as funds on behalf of Surrey County Council, Guildford Borough Council, Reigate and Banstead Borough Council, and Spelthorne Borough Council. The administrative burden of the current grants process was raised, and it was highlighted that the new approach would allow Officer time to be used more productively by working directly with groups to advise and support.

Councillor Forster proposed an amendment to recommendation (ii) to include consultation with the Portfolio Holder. The Executive agreed the amendment to recommendation (ii).

Councillor Kemp, Shadow Portfolio Holder for Voluntary Sector, raised a number of questions regarding the proposal, including the decision making process, governance arrangements and Member oversight, and the proposed recipients of a Service Level Agreement (SLA) which would provide secure funding. The Portfolio Holder confirmed that the Council would continue to retain full control of the grants in setting the annual budget for the fund and agreeing the criteria as per the strategic priorities of the Council. It was noted that the Portfolio Holder and Senior Manager would sit on the decision-making panel and an annual report would be

Recommendations of the Executive

received by Council. Regarding SLAs, the Executive heard that it was proposed that community groups considered essential by the Council, such as the York Road Project, would be offered an SLA in order to provide financial security. Discussions would be held with regular beneficiaries regarding the new approach.

Following a question, it was explained that it was proposed to combine the Council's community grant budget to the existing Woking Community Fund.

The Executive welcomed the proposed new approach to community grants, which included the opportunity for the Council to incentivise increased investment into the endowment of the Woking Community Fund by match-funding private sector donations.

RECOMMENDED to Council

That (i) the proposed new partnership between Woking Borough Council and the Community Foundation for Surrey be endorsed and take effect for grants in 2023/24; and

(ii) delegated authority to be given to the Strategic Director – Communities, in consultation with the Portfolio Holder, to oversee the new partnership between Woking Borough Council and the Community Foundation for Surrey.

Reason: To improve the process for administering community grants.

THE EXECUTIVE – 14 JULY 2022

7E. MEDIUM TERM FINANCIAL STRATEGY (MTFS) EXE22-043

Councillor Roberts, Portfolio Holder for Corporate Financial Planning and Policy, introduced a report which provided an update to the Medium Term Financial Strategy (MTFS) for 2022-23 to 2025-26. The report also outlined the approach to aligning Council budgets with the priority outcomes defined within the Woking for All strategy, as well as the supplementary and amended priorities from the new administration agreed at the last meeting of the Executive. The Portfolio Holder explained that the financial forecasts within the report set out the level of challenge faced by the Council due to increased inflationary pressures and risk to the level of the Council's forecast income. As part of the Council's Financial Resilience Strategy, the Executive noted that it was important that plans were in place to respond to the financial risks outlined in the MTFS and work would progress on savings options with an update provided at the October Executive. The proposed savings options of circa £11m was highlighted.

In order to meet the needs of residents whilst supporting the Town Centre, the Executive discussed the proposed parking pilot for Victoria Place, which included Red, Green, Yellow and Blue car parks. It was proposed that a new tariff be piloted on Saturdays during September to encourage car park users to extend their stay in the Town Centre beyond two hours. Councillor Davis, Shadow Portfolio Holder for Corporate Financial Planning and Policy, raised a number of questions on the proposed pilot including measurement of success, exit strategy and impact on CO2 emissions in the Town. The Leader responded to the points raised and highlighted that the information from the pilot would support the development of a car parking strategy later in the year. It was highlighted that it would be necessary to bear in mind other factors which could increase parking occupancy during the pilot, such as the opening of Italia Conti in Victoria Place.

Recommendations of the Executive

The Executive acknowledged the challenging financial situation and the updated financial forecasting set out in the report. It was noted that the MTFS would continue to be reviewed and updated over the summer to bring forward areas of search for efficiencies and savings, with further MTFS updates brought to the Executive throughout the year.

RESOLVED

- That (i) the evidence base on demographics (Appendix 1 to the report) be noted;
- (ii) the target for areas of search to identify further efficiency and savings proposals (Section 6) be noted;
- (iii) agree for the Strategic Director – Place, in consultation with the relevant Portfolio Holder, to submit the UK Shared Prosperity Fund Investment programme (referenced in Section 2 of the report) to the DLUHC by 1st August 2022;
- (iv) agree to the continuance of Opportunity purchases within the Investment Programme with delegation to the Chief Executive in consultation with the Leader and relevant Portfolio Holder;
- (v) agree the car park pilot in the Victoria Place Car Park for the Saturdays within the pilot period;
- (vi) the priority outcomes, in the Corporate Plan which form the basis of the Council's business and financial planning set out in Section 4, be reviewed through the process highlighted within the report;
- (vii) the development of a four-year Medium Term Financial Strategy drawing from the Corporate Plan priority outcomes be agreed;
- (viii) agree to continue to develop activity and financial plans through the Fit for the Future programme using the guiding principles of affordable, responsible, and sustainable to develop options for operating within the resources available;
- (ix) reports be received on more detailed plans for the next four years in November 2022;
- (x) as detailed in paragraphs 6.19-6.20 of the report, parent company guarantees be provided to the new gas and electricity providers, as required by Thamesway Energy Ltd and Thamesway Central Milton Keynes Ltd, with the detail to be agreed by the Director of Legal and Democratic Services in consultation with the Leader; and

RECOMMENDED to Council

That (xi) the Medium-Term Financial Strategy as updated be approved.

Reason: The decision is sought to agree the framework for Officers to develop further proposals for consideration, in due course, by the Council to ensure the medium-term financial stability of the Council.

7F. COMPANY GOVERNANCE

The Leader of the Council, Councillor Barker, introduced a report which recommended to Council proposals to modernise the Council's governance arrangements with respect to its oversight of its wholly or part owned companies. It was explained that Officers had undertaken a review of the governance of the Council's subsidiary companies as part of the medium term financial resilience assessment produced by the professional services firm EY. The Leader advised that the proposed arrangements sought to improve openness and transparency, address conflict issues by removing Councillors from company boards, and formalise provision of Council services to group companies. The Executive noted that the proposals included the appointment of the Leader as the Council's Shareholder Representative, and the creation of a Shareholder Advisory Group (SAG) which the Leader of the Council and members of the Executive would be appointed to.

The Overview and Scrutiny Committee had pre-scrutinised the report at its meeting on 11 July 2022 and had expressed concern over the proposed membership of the SAG. The Leader advised that the proposals followed best practice and mirrored the Council's governance arrangements of a Strong Leader and Executive model. It was noted that the Chair of the Overview and Scrutiny Committee would be invited to attend SAG meetings. The new structure would also allow the Chair of the Overview and Scrutiny Committee to call matters to be considered by the Committee. Reserved matter decisions, such as adoption of business plans, would continue to be determined by Full Council.

Following a question regarding the financial implications of the proposals, the Executive was informed that the additional posts would cost around £100k - £150k and would be funded in the short term through the Fit for the Future programme budget.

The Executive welcomed the report, noting that the proposals were in line with CIPFA best practice. A review of the new arrangements was considered to be useful to see how it was operating, subject to Council agreeing the proposals on 21 July 2022.

RECOMMENDED to Council

- That (i) the Leader of the Council be appointed as the Council's Shareholder Representative;**
- (ii) the creation of a Shareholder Advisory Group be approved, as detailed in the report, to ensure that its companies act in the interests of the Council as shareholder and contribute to the Council's objectives;**
- (iii) the Terms of Reference of the Shareholder Advisory Group, as set out at Appendix 2 to the report, be approved;**
- (iv) Directors to the Group Companies, as outlined in Appendix 3 to the report, be appointed;**
- (v) the Shareholder Liaison Service be established to lead on managing contractual arrangements with the companies and in holding of the companies to account;**
- (vi) the establishment of Head of Shareholder Liaison Service at Grade W8 and Project Officer on Grade W5 be approved;**
- (vii) delegated authority be given to the Director of Legal and Democratic Services to approve final terms and enter any**

Service Level Agreements where corporate functions provide support services to group companies;

(viii) delegated authority be given to the Director of Legal and Democratic Services to approve final terms and enter any Data Protection or Information Sharing Agreement; and

(ix) the Constitution be updated accordingly.

Reason: The recommendations proposed will improve the governance arrangements in line with current best practice and allow the Council to closely monitor its interests within each of its companies with further clarity, transparency, and reporting. It will ensure that the Council and its subsidiaries are meeting their legal and statutory responsibilities and are practising good governance.

The Council has the authority to determine the recommendations set out above.

Background Papers: None.

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