

SUPPLEMENTARY REPORT

RECOMMENDATIONS OF THE EXECUTIVE

Meeting: Council

Date Of Meeting: 12 December 2024

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Lead Officer: Frank Jeffrey, Head of Democratic Services | frank.jeffrey@woking.gov.uk

Portfolio Holder: Cllr Ann-Marie Barker | Cllrann-marie.barker@woking.gov.uk

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Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

1.0 Purpose of Report

1.1 The Council is invited to consider the recommendations from the meetings of the Executive held on 14 November 2024 and 5 December 2024.

1.2 This supplementary report sets out the extracts from the draft minutes of the meeting of the Executive held on 5 December 2024. For simplicity, the recommendations from the meeting on 14 November 2024, set out in the earlier published report, have also been included.

2.0 The Executive – 14 November 2024

2.1 The extracts from the minutes of the meeting of the Executive held on 14 November 2024 are set out below.

A. Woking for All Strategy EXE24-092

The Leader of the Council, Councillor Barker, introduced the report which recommended to Council the adoption of the refreshed Woking for All Strategy (WFAS). The Executive was advised that the WFAS aimed to clearly set out the Council's priorities and objectives for the next three years and to also set out how those would be delivered through a range of specific and measurable actions. The Leader drew attention to the Council's Vision and Mission Statement in the WFAS which was designed to provide stakeholders with a clear understanding of the Council's direction of travel. The Executive noted that the WFAS was the Council's corporate plan and was underpinned by the Improvement and Recovery Plan (IRP) which had been developed in response to Government intervention. It was highlighted that the WFAS

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was a three year strategy to 2027/28 which aligned to the life of the Council's Medium Term Financial Strategy (MTFS).

The Leader explained that the WFAS was built around three core themes: Thriving Communities, High Performing Council, and Effective Partnerships. Attention was drawn to the priorities, objectives, outcomes and success measures for each theme.

The Executive welcomed the refreshed and focused WFAS, developed in consultation with Officers and Members, which would align the direction of the Council to be a high performing council focused on delivering excellent service and building thriving communities through effective partnerships.

RECOMMENDED to Council

That the new Woking for All Strategy, attached at Appendix 1 to the report, be adopted.

Reason: To enable the adoption of a refreshed Corporate Plan (WFAS) which clearly sets out the priorities and objectives of the Council, including in the context of the current Government intervention in Woking.

B. Calendar of Meetings 2025/26 EXE24-061

The Executive received a report which sought approval to recommend to Council the Calendar of Meetings 2025-26. Following a question, it was confirmed that extraordinary meetings of the Executive and Full Council were required on Monday, 1 September 2025 in order to determine the outcome of the procurement exercise for the Council's leisure contract. The start time of those meetings on 1 September 2025 would be agreed in due course.

RECOMMENDED to Council

That the Calendar of Meetings 2025/26 be approved as set out in Appendix 1 to the report.

Reason: In accordance with Standing Order 1.2 of the Constitution, which states that "The date of the annual (Council) meeting and those of ordinary meetings shall be fixed by the Council in or about December of the preceding municipal year".

3.0 The Executive – 5 December 2024

3.1 The extracts from the minutes of the meeting of the Executive held on 5 December 2024 are set out below:

C. 30 Year Housing Revenue Account (HRA) Business Plan EXE24-032

Councillor Johnson, Portfolio Holder for Housing, introduced the report which recommended to Council the approval of the 30 Year Housing Revenue Account (HRA) Business Plan and which sought agreement to consult on a new Draft Rent Policy. It was noted that the results of the new stock condition survey, due to be completed in Spring 2025, would need to be incorporated into future iterations of the Business Plan. Therefore, older stock condition data had been used to prepare the current Business Plan. The Portfolio Holder reported that the proposed 5-year HRA capital programme budget allowed for £71.9m between 2025/26 and 2030/31. It was noted that the increase in budget was necessary to meet the Council's obligations in respect of fire safety and Decent Homes, including communal boilers.

The Executive was advised that approval was sought to consult on a new Draft Rent Policy which would allow the Council to apply "rent flexibility" to all relets of its existing HRA homes when they became vacant.

The Executive was supportive of the proposals which would positively impact Council tenants by ensuring that the Council had a viable long-term strategy for spending and borrowing to maintain its housing stock and operate services for its tenants and leaseholders. It was hoped that further work could be done in the future regarding decarbonisation and energy efficiency once further detail was available from Government.

RECOMMENDED to Council

That (i) the 30-Year Housing Revenue Account (HRA) Business Plan at Appendix 1 to the report be approved; and

(ii) the Draft Rent Policy included as Appendix 2 to the report be agreed for consultation.

Reason: To ensure the Council has a viable long-term strategy for spending and borrowing to maintain its housing stock and operate services for its tenants and leaseholders.

D. Investment Debt Repayment and Standstill 2024-25 and 2025-26 EXE24-087

Councillor Barker, Leader of the Council, explained that the Executive would need to be informed by the information in the confidential Part II Investment Debt Repayment and Standstill 2024-25 and 2025-26 report in order to determine the Part I Investment Debt Repayment and Standstill item relating to the Council's companies. Therefore it would be necessary for the Executive to go into Part II during the current item and exclude the press and public whilst the accompanying Part II report was considered.

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Councillor Roberts, Portfolio Holder for Finance, introduced the report which provided an update on the Council's existing debt repayment standstill agreement with ThamesWey and Victoria Square Woking Limited for 2024-25, a debt sweep against the agreement, and which recommended to Council a further agreement for 2025-26. The Executive was informed that a debt standstill was a temporary arrangement between a borrower and its creditor to pause repayments for a period of time. The conditions which the debt standstill would be subject to were set out by the Portfolio Holder, which included an agreement on the Council being provided with overarching loan security against the assets for the ThamesWey group of companies which was currently not the case. It was noted that MHCLG and UKGI were supportive of the proposals. An 'in principle' decision by the Council as majority lender would be required at its meeting on 12 December 2024, noting that the Council could not formally confirm a debt standstill position for 2025/26 until it had confirmed Exceptional Financial Support from central government for the 2025/26 financial year. The Executive moved into Part II to consider the independent financial review of the companies.

Following conclusion of the Part II discussion, the Executive considered the recommendations to Council set out in the Part I report and agreed to recommend the proposals to Council. The proposed debt sweep arrangement, which would allow surplus cash not required to keep the companies operational to be paid to the Council, was welcomed. The Leader highlighted the considerable progress made in relation to the companies, for example improved company governance arrangements such as the establishment of the Shareholder Executive Committee (SEC).

RECOMMENDED to Council

- That (i) it be noted that the Council will be requesting Exceptional Financial Support for 2025/26 and this request will incorporate the interest and minimum revenue provision costs in relation to the loans made to companies and the debt standstill and debt sweep contained within the report;**
- (ii) a 2025/26 financial year investment debt repayment standstill on the Council's investment loans to the ThamesWey group of companies and Victoria Square Woking Limited be approved (subject to the conditions and caveats set out in the report and subject to confirmation of Exception Financial Support from central government) for the financial year 2025/26 as set out in recommendation (i);**
- (iii) a debt sweep for the period up to the end of December 2024 be approved and authority be delegated to the Strategic Director for Finance, the Strategic Director - Corporate Resources, the Director of Legal and Democratic Services and the Chief Executive, in consultation with the Leader and Deputy Leader of the Council, following the application of the principles, assessments and assurances provided by the actions**

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outlined within the report to determine the value of the sweep; and

- (iv) the findings in the Part II report set out under Agenda Item 19 of the Executive agenda titled Investment Debt Repayment and Standstill 2024-25 and 2025-26 be noted.**

Reason: The proposals within the report form part of the Council's overall Improvement and Recovery Plan (IRP). The background to the Council's past investment decisions are set out in detail in Grant Thornton's report in the public interest that was considered by a special meeting of Council on 20 November 2024.

The debt standstill proposal supports the strategic aim within the IRP to "Release the council from unaffordable commitments, whilst protecting the public purse and optimising the value of existing assets" and "To take a strategic approach to reviewing the Council's lending to companies and borrowing for its property investment estate and medium term financial strategy."

Report Ends

