

SUPPLEMENTARY REPORT

RECOMMENDATIONS OF THE EXECUTIVE AND COMMITTEES

Meeting: **Council**

Date Of Meeting: **27 February 2025**

Report Author(s): **Frank Jeffrey**

Lead Officer: **Kevin Foster | kevin.foster@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 (i.e. is it a key decision)? 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 on 13 February 2025 (Section 2.0 and Section 5.0), the Employment Committee on 19 February 2025 (Section 3.0) and the Audit and Governance Committee on 20 February 2025 (Section 4.0).
- 1.2 This Supplementary Report now sets out all the extracts from the draft minutes of the three meetings which relate to recommendations to Council.

2.0 The Executive – 13 February 2025

- 2.1 The relevant extracts from the minutes of the meeting of the Executive are set out below. The recommendations of the Executive in respect of the Joint Waste Collection Services Contract Re-Tender will be dealt with under Section 5.0 of this report.

A. General Fund Budget 2025-26 EXE25-001

Councillor Roberts, Portfolio Holder for Finance, introduced the report which recommended to Council the provisional budget proposals for 2025-26 and for the three-year period leading to 2027-28. The Portfolio Holder highlighted that all discretionary services would be maintained, housing and homelessness had been made a clear priority, and Council Tax was proposed to increase by 2.99% on the previous year.

The Executive welcomed the focus on statutory services, principally housing, which was demonstrated in the Capital Programme and the inclusion of a Housing Asset Management Plan of £16m to address historic under-investment. It was noted that the General Fund Budget proposed savings in relation to homelessness by working with ThamesWey Housing Limited (THL) to provide homes for homeless families and

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individuals in the Borough. The Administration's work to improve governance of Council-owned companies was highlighted.

The Portfolio Holder explained that a Business as Usual (BAU) budget of £23.6m was proposed with £2.4 million in growth and £2.5 million in savings projected for 2025-26. The Executive was informed that, in terms of the Council's legacy debt, a long-term solution still needed to be agreed with Government. The Council had submitted a request to MHCLG for Exceptional Financial Support (EFS) of £171.1m and a positive response from Government was critical to enable the Council to set a legal budget. The budget would continue to be cognitive of, but not distracted by, local government reorganisation.

Following a question regarding the £2.8m budget gap in 2025/26 to be met through EFS, it was noted that the report set out a strategy to close the gap over the next three years. The Executive heard that four strategic workstreams had been identified to seek savings through efficiencies over the next three years; property, hidden subsidy, procurement analysis and transformation.

A special meeting of the Resource and Finance Scrutiny Committee, to which all Scrutiny Committee Members had been invited, had been held on 10 February 2025. The Committee had considered the report under its remit for pre-decision scrutiny and a copy of the recommendations of the Committee were before the Executive. The first recommendation requested that a letter be sent from Leadership to the Secretary of State for Communities, Housing & Local Government requesting greater standardisation across local authorities be included as part of local government reforms. Before writing to the Secretary of State, the Executive would welcome a more detailed and structured proposal and the Portfolio Holder had asked for it to be added to the agenda of the next meeting of the Finance Working Group. The second recommendation requested a review of the budget-setting process for next year, the inclusion of executive summaries in reports, and the addition of 'local government reorganisation' to the implications section in reports. The Portfolio Holder responded that the timetable would be changed for next year.

The Executive also discussed the National Insurance Grant and CIL monies. Portfolio Holder, Councillor Lyons, had asked Officers to assess and report on the cost implications of interest being added to the CIL account. Members were encouraged to work with their communities to come forward with proposals for spending CIL monies. Regarding the costs of local government reorganisation and devolution, the Leader advised that communications to councils from Government had indicated that there may be money available in future for work to get to a proposed solution for the new structure, however councils themselves would be expected to meet the costs of changing to the new structure.

The Executive agreed to recommend the General Fund Budget to Council, noting it was an important milestone on the Council's improvement and recovery journey.

RESOLVED

- That (i) a detailed and more structured proposal on standardisation in local government be considered at the next Finance Working Group;

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- (ii) the budget-setting process be reviewed for next year, with changes to the timeline, and the inclusion of executive summaries in reports;
- (iii) Officers be requested to provide further information to enable closer scrutiny of line items, year-to-year and in-year comparisons in the 2026/27 budget round;
- (iv) the addition of 'local government reorganisation' to be included in the implications section of reports; and

RECOMMENDED to Council

- That (i) **the £2.5m of savings in 2025/26, rising to £4.7m by 2027/28 as set-out in Appendix 1 to the report be agreed, subject to any comments received from Resource and Finance Scrutiny Committee;**
- (ii) **the £2.4m of growth pressures in 2025/26, rising to £3.2m by 2027/28 as set-out in Appendix 2 to the report be agreed, subject to any comments received from Resource and Finance Scrutiny Committee;**
- (iii) **the Equality Impact Assessment on the savings proposals that are summarised in Appendix 6 to the report, with detailed reports on each resident facing saving proposal, be noted as part of the decision-making process;**
- (iv) **the position of the Business Rates and Council Tax Collection Fund, including the brought forward surplus/deficit position and the Council Tax and Business Rates bases for 2025/26 as set out in Section 14 of the report be noted and agreed;**
- (v) **the Management of Change and Flexible Use of Capital Receipts budgets proposed at Appendices 3 and 4 to the report be supported; and**
- (vi) **it be noted that Full Council on 3 March 2025 will receive a final report from the Strategic Director of Finance to seek final, formal approval of the Council's budget, the Exceptional Financial Support and Council Tax for 2025/26.**

Reason: The contents of the report is to ensure open and transparent governance in the financial affairs of the Council in balancing the 2025/26 Budget, and the Medium Term Financial Strategy.

B. Fees and Charges 2025-26 EXE24-060

The Executive received a report detailing the proposed discretionary fees and charges for 2025-26. Councillor Roberts, Portfolio Holder for Finance, explained that the review of fees and charges had been shaped by the principles of transparency, fairness, equitability, affordability, and social responsibility with a particular focus on ensuring that discretionary services moved further towards cost neutrality. It was noted that the review had included benchmarking with comparable local authorities, addressing historic under-pricing, and work to understand the true cost of services as part of the 'hidden subsidy' workstream of the Medium Term Financial Strategy (MTFS).

Attention was drawn to the car parking charges and in particular, the strategy to support longer stays in the town centre at a lower cost and a reduction in the night time parking fee. The Portfolio Holder thanked the Car Parking team for the hard work undertaken on the principles and rationalisation of car parking charges.

The Executive noted that the Council was committed to becoming a smaller council with a focus on providing statutory services, with discretionary services needing to be fully funded. Whilst mindful of the impact, it was therefore necessary to increase discretionary fees and charges in order to continue provision and ensure services were cost neutral.

RECOMMENDED to Council

That (i) the proposed guiding principles in relation to setting fees and charges, set out in section 4 of the report, be approved; and

(ii) the discretionary fees and charges for 2025/26, as set out in Appendices 1-3 of the report, be approved.

Reason: The review of discretionary charges ensures that the Council maintains its income base and generates additional resources for the provision of services.

C. Housing Revenue Account Budgets 2025-26

The Executive received the Housing Revenue Account (HRA) Budgets 2025-26 for recommendation to Council. It was explained that the HRA set out the financial framework for managing the Council's housing stock of some 3,300 homes ensuring that rental income was used effectively to maintain and improve those homes. Attention was drawn to the 30-Year HRA Business Plan, approved by Council in December 2024, noting that the HRA Budget was fully aligned with the Plan's strategic objectives.

The Executive was confident in the direction being taken and welcomed that the HRA Budget was addressing historic under-investment in housing and the need for long-term sustainability.

The Communities and Housing Scrutiny Committee, at its meeting on 11 December 2024, had considered the 30-Year HRA Business Plan and had agreed to recommend that the Executive, in their regular reviews of the HRA Business Plan,

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should pay particular attention to interest rates and review the Plan based on that information. The Executive agreed to take forward the recommendation from the Committee.

RESOLVED

That in their regular reviews of the HRA Long Term Business Plan, the Executive should pay particular attention to interest rates and review the Plan based on that information; and

RECOMMENDED to Council

That (i) the Final Housing Revenue Account budgets for 2025-26, as set out in Appendix 1 to the report, be agreed; and

(ii) with effect from 7 April 2025, rents be increased by 2.7%.

Reason: To enable a decision to be made by Council on the Housing Revenue budget for 2025 and approval of the increase in rents from 7 April 2025.

D. Capital Programme 2024-25 to 2028-29 EXE25-003

The Executive received the Capital Programme 2024-25 to 2028-29 which set out the investments required to deliver the Council's key strategies and objectives. It was noted that the Programme focused on essential investments in infrastructure, housing projects and ensuring the long-term sustainability of Council assets. The Executive was advised that the proposed Capital Programme for 2025/26 was £30.5m, of which £23.5m would be on the Housing Capital Programme reflecting the strategic emphasis on providing decent homes. General Fund projects included maintenance of green spaces, works to recreation grounds, and upgrading information technology for transformation.

Councillor Johnson, Portfolio Holder for Housing, highlighted that the Housing Capital Programme prioritised health & safety and fire safety remedial works and commented that he would like the Council to be able to buy properties in the future in order to replace homes sold through Right to Buy.

It was noted that the Capital Programme was restrained compared to previous years and investments undertaken needed to demonstrate delivery of cost savings and benefit residents, such as the residents services programme, or focus on housing.

RECOMMENDED to Council

That (i) the Capital Programme 2024/25 to 2028/29, as summarised in Appendices 1 to 4 to the report, be approved subject to reports on projects where appropriate; and

(ii) the proposed financing arrangements at Appendix 2 to the report be approved.

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Reason: To recommend to Council that it approves the capital programme and the proposed financing arrangements for 2024/25 onwards considered necessary to support the Council's service plans and objectives.

E. Housing Resident Engagement Strategy EXE25-021

The Executive received a report which recommended to Council adoption of the Housing Resident Engagement Strategy. It was noted that residents had been involved in setting the Strategy which would be in place from 2025-28. Councillor Johnson, Portfolio Holder for Housing, thanked the Resident Engagement Team for their work to engage with residents and drew attention to the engagement events held across the Borough during 2024. The Resident Engagement Team and Chair and Vice-Chair of the Resident and Landlord Partnership Panel had attended the Community and Housing Scrutiny Committee at its meeting on 21 January 2025. It was highlighted that the Strategy would ensure regulatory compliance to the Regulator of Social Housing consumer standards.

The Executive welcomed the Housing Resident Engagement Strategy and encouraged all tenants to complete the Tenant Satisfaction Survey and submit their views.

RECOMMENDED to Council

That (i) the Housing Resident Engagement Strategy be approved.

Reason: The decision will ensure that there is a focus on Housing Resident Engagement, its importance, key areas of focus and the baseline of engagement opportunities that Woking Borough Council Housing Service commit to providing between 2025 and 2028.

3.0 Employment Committee – 19 February 2025

3.1 The relevant extracts from the draft minutes of the Employment Committee held on 19 February 2025 are set out below.

F. Pay Policy Statement 2025/26

Amanda Jeffrey introduced the report on the Pay Policy Statement for 2025/26. Amanda drew attention to a typo on page 8, paragraph 4.5 of the report. The

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incorrect text was “The bottom point on this pay scale is £21,151” the correct figure should read “£23,151”.

Sections 38 to 43 of the Localism Act 2011 required local authorities to create an annual pay policy statement to outline:

- Pay details for chief officers and lowest-paid employees
- How their pay compared
- Definition of ‘lowest-paid employees’
- Pay specifics for chief officers (including hiring, raises, performance pay, bonuses, and leaving payments)
- How pay information was shared

The purpose of the statement was to provide transparency with regard to the Council’s approach to setting the pay of its employees. The statement would also need to be approved by Full Council and, once approved, would be published on Council’s website.

Councillor Graves asked whether Committee Members would be invited to sit on the Pay Panel. The Committee was advised that the Panel comprised of a member of the Corporate Leadership Team (CLT) and a member from Human Resources (HR). The Panel was a newly established independent body where managers could create a business case for individual pay increases. This included proposals for pay progression for expanded roles, honoraria, and market rate supplements.

The Panel had met once to-date, with a further meeting scheduled to take place soon. Feedback on the objectives of the Panel would be provided to the CLT before it was officially communicated to the wider organisation.

In response to a question on the Government appointed Commissioners, it was clarified that the figures did not include the remuneration of the Commissioners, which was set by the Government. The pay level for the Chief Executive Commissioner had, however, been used to calculate the comparison pay ratio.

It was noted that the ratio of average chief officer remuneration to the average remuneration of other employees had increased over the year and it was suggested that the figures should be tracked in future to identify whether there was a trend indicating a widening gap between the pay of chief officers and that of other

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employees. Officers advised that the information was recorded and could be provided in future.

RECOMMENDED TO COUNCIL

That the Pay Policy Statement for 2025/26, as set out in the report, be approved.

G. Pay Award 2025/26

The Committee received a report which outlined the Council's position on pay and progression for employees from 1 April 2025. The proposals before the Council honoured the Council's commitment to pay the real Living Wage to the lowest paid employees from 1 April 2025.

Furthermore, it was proposed that employees who had successfully met agreed performance criteria would move one incremental pay point unless at the top of the grade. Finally, the report recommended that the inflationary element of the pay award for 2025/26 should be deferred until the National Joint Council (NJC) for local government had published a proposed uplift. The pay position for Chief Officers on grades W10 – W12 would be subject to a further report once the National position for senior officers was known.

It was recognised that there had been a significant impact on Staff when the decision had been taken not to make a pay award, and that the delay in the pay award determination for 2025/26 would have a further impact. Once the pay award offer had been determined, Staff would receive the uplift; any changes to the offer following negotiations would be paid to Officers once agreed, with back pay provided if necessary.

RECOMMENDED TO COUNCIL

That (i) the Real Living Wage is implemented from 1 April 2025;

(ii) pay progression for employees who meet the set criteria is implemented from 1 April 2025; and

(iii) the pay award for 2025/26 is deferred until National Joint Council (NJC) for local government proposed offer is made.

4.0 Audit and Governance Committee – 20 February 2025

4.1 The relevant extracts from the draft minutes of the meeting of the Audit and Governance Committee held on 20 February 2025 are set out below.

H. Review of the Audit and Governance Committee Terms of Reference STA25-007

Adesuwa Omoregie introduced the report which proposed changes to the Terms of Reference of the Committee following a review to ensure that they were aligned with the CIPFA guidance. If agreed, the terms of reference

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would need to be recommended to Full Council for approval to be included in the Council's Constitution. Reference was made to an email received from Councillor Cosnahan which set out the following points: renaming section 7 to Approving of Audits; the moving of paragraph 7.15 regarding access to the Committee for the Head of Internal Audit as it was stated to be a Chair's right and not a Committee function; and a numbering inconsistency in paragraph 10.

Councillor Rice stated that quorum should be mentioned in the Terms of Reference and Adesuwa Omoregie noted that the quorum in the Committee was set out elsewhere in the Constitution. Councillor Rice stated that the quorum should be a higher number than currently, which had been captured in the action tracker from the September meeting. Adesuwa Omoregie stated that there is a review of quorum levels in other committees as a whole. Committee Members felt that increasing the quorum of the Committee from two to three Elected Members would be prudent.

Following a question by Councillor Cosnahan over whether cybersecurity should be included in the list under paragraph 5.2, Kevin Foster stated that cybersecurity and risk were currently covered by scrutiny and so the Council would need to consider whether this should be amended to audit to avoid duplication.

Members noted some typographical errors which would need to be corrected and that there should be a glossary for some items. Following a question by Councillor Rice regarding paragraph 7.4, it was stated to be Committee Members who would be able to request summaries of specific internal audit reports, which were also held in the Councillors' area on Teams. This item has been superseded by the fact that it was agreed that full audit reports would be provided to Members and therefore this section's of the Terms of Reference would be amended to reflect this.

Councillor Rice noted that at the training session the resource allocated to Internal Audit was under the equivalent of one FTE and Stephen Fitzgerald discussed process for securing an increase in funding. Stephen Fitzgerald stated that the current arrangements provided flexibility as extra days could be purchased from Mazars to take account of particular issues that might need internal audit attention, who also provided resource to other areas outside of the plan.

Following a question by Councillor Rice over additions or deletions from the CIPFA guidance, Adesuwa Omoregie stated that the additions were largely extracted from the CIPFA guidance to ensure the Council's compliance. Councillor Rice added that a national template of an Audit and Governance Committee's Terms of Reference would prevent local authorities taking time to prepare their own versions. This would be added to the FRSC recommendation in respect of a letter sent out with recommendations regarding constitutional matters.

The Chairman stated that at the recent Internal Audit workshop the re-procurement around Internal Audit had been discussed and so this should

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be included on the Committee's Work Programme, alongside the provision of full Internal Audit reports on the Councillors' reference area on Teams.

The Chairman queried whether four meetings of the Committee were sufficient. Noting that last year two ad hoc meetings were held to deal with the Accounts, Adesuwa Omoregie stated that following approval by Council of the amended Terms of Reference the Work Programme would be reviewed and brought to the next meeting, at which point a view could be taken as to whether any further meetings are required to address the items on the workplan.

Puneet Jasuja welcomed the amended Terms of Reference and referred to the appointment of one Independent Member to the Standards Panel and who this would be given that there are two Independent Members. It was noted that a decision would be made at the point of the meeting and that the meetings were rare.

The Committee agreed and voted to recommend to Council the amended Terms of Reference, taking into account the points raised in Councillor Cosnahan's email; a request to increase committee quorum to a half rounded up resulting in three of the five Elected Members being required; inclusion of cybersecurity, correction of typographical errors, inclusion of a glossary and removal of the clause relating to the Chairman being entitled to have a second vote.

(NOTE: Under the next item, Annual Review of the Audit and Governance Committee, it was resolved that the Terms of Reference be further amended to remove the clause relating to the Chairman having entitlement to a second vote.)

RECOMMENDED TO COUNCIL

That the amended Terms of Reference for the Audit and Governance Committee be adopted, as amended by the Committee.

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I. Annual Review of the Audit and Governance Committee STA25-008

The Committee received its inaugural Annual Review for recommendation to Full Council, which set out a brief factual summary of the Committee's work during the 2024/25 Municipal Year, with information included on Membership and Attendance; Remit of the Committee; Committee Meeting Activity; Training and Development; and a section on looking forward to the next Municipal Year.

Councillor Mukherjee requested that in order to ensure that members were drawn to the key points of reports that for reports over four pages long an Executive Summary

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should be included at the start. A proposal was put forward and an amendment to the resolution as set out below was voted on and agreed.

RECOMMENDED TO COUNCIL

That (i) the Annual Review of the Audit and Governance Committee for 2024/25 be received; and

(ii) Audit and Governance committee reports over four pages long should include an Executive Summary at the start.

5.0 The Executive – 13 February 2025

5.1 The relevant extracts from the minutes of the meeting of the Executive in respect of the Joint Waste Collection Services Contract Re-Tender are set out below. In the event Members of the Council wish to discuss the confidential Strategic Options Appraisal (item 13K) the Mayor will move the Council into Part II whereby the press and public would be excluded from the discussion.

J. Joint Waste Collection Services Contract Re-tender EXE25-022

Councillor Nicholson, Portfolio Holder for Waste and Recycling, introduced the report which sought approval to reprocure a joint contract for waste collection in partnership with Elmbridge Borough Council, Surrey Heath Borough Council and Mole Valley District Council. The current contract would expire on 5 June 2027. The Portfolio Holder commented that waste management was going through a transformation and highlighted new legislation and innovative technologies. It was noted that the Government was introducing simpler recycling laws in 2025 with the aim to achieve a 65% recycling rate in municipal waste by 2035.

The Executive was advised that a specialist advisor had been commissioned by Joint Waste Solutions to evaluate the commissioning options for the service. Following evaluation of the benefits, risks and modelled financial implications for each of the options, the recommendation was to reprocure. Joint Waste Solutions had attended the Environment and Place Scrutiny Committee at its meeting on 28 January 2025. Members were informed that reprocuring posed the least financial and commercial risk to the Councils, as well as sharing the upfront costs of undertaking the procurement across four authorities.

Following a question regarding the potential impact of local government reorganisation, the Portfolio Holder advised that the tender specification would be based on the current range of services but would allow for variations to reflect new regulations and provide flexibility.

The Executive welcomed the plans for waste disposal and supported the recommendation to reprocure. It was proposed and seconded to remove 'street cleaning services' from recommendation (i) as the Council had its own provider for street cleaning services.

RECOMMENDED to Council

- That (i) the procurement and contract strategy for waste collection services be approved:
- a. To reprocure a joint contract with Mole Valley District Council, Elmbridge Borough Council and Surrey Heath Borough Council based on the current baseline service specification (outlined in 6.1 of the report) for waste collection with an initial term of seven years commencing on expiry of the current contract in 2027 and expiring in 2034, with two further options to extend up to a maximum of fourteen years.
 - b. The contract management function will continue to be delegated by the four authorities to one client team.
- (ii) authority be delegated to the Head of Environmental Services in consultation with the Strategic Director - Place, Director of Legal and Democratic Services, Section 151 Officer and the Portfolio Holder with responsibility for Waste as a member of the Joint Waste Collection Services to take all actions necessary to give effect to the decision in (i) including but not limited to;
- a. The final specification.
 - b. The price/quality split and the detailed evaluation criteria and weightings.

Reason: The Council has a statutory duty to arrange for the collection of household waste (Environmental Protection Act 1990). A strategic review of the options for succeeding the existing contract, concludes that reprocurement offers the best value at least risk.

K. Joint Waste Collection Services Contract Re-Tender EXE25-022.

RECOMMENDED to Council

- That (i) the Strategic Options Appraisal, attached at Appendix 1 to the report, be noted.

Reason: The Council has a statutory duty to arrange for the collection of household waste (Environmental Protection Act 1990). A strategic review of the options for succeeding the existing contract, concludes that reprocurement offers the best value at least risk.

Report Ends