

MINUTES
OF A MEETING OF THE
EXECUTIVE

held on 3 February 2022

Present:

Cllr A Azad (Chairman)
Cllr S Ashall (Vice-Chair)

Cllr K M Davis Cllr D Harlow
Cllr G W Elson

Also Present: Councillors A-M Barker, D E Hughes and I Johnson.

Absent: Councillor C S Kemp.

1. MINUTES

RESOLVED

That the minutes of the meeting of the Executive held on 20 January 2022 be approved and signed as a true and correct record.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Kemp.

3. URGENT BUSINESS

There were no items of Urgent Business under Section 100B(4) of the Local Government Act 1972.

4. DECLARATIONS OF INTEREST

In accordance with the Members' Code of Conduct, Councillor A Azad declared a non-pecuniary interest in any items concerning the companies of which she was a Council-appointed director. The interests were such that speaking and voting were permissible.

In accordance with the Members' Code of Conduct, Councillor K M Davis declared a non-pecuniary interest in any items concerning the companies of which he was a Council-appointed director. The interests were such that speaking and voting were permissible.

In accordance with the Members' Code of Conduct, Councillor D Harlow declared a non-pecuniary interest in any items concerning the companies of which she was a Council-appointed director. The interests were such that speaking and voting were permissible.

The interest of Councillor C S Kemp was referred to in the agenda but it should be noted that Councillor Kemp sent apologies to the meeting.

In accordance with the Members' Code of Conduct, Councillor A-M Barker declared a non-pecuniary interest in Agenda Item 6 – Medium Term Financial Strategy (MTFS), General Fund, Service Plans, Budgets and Prudential Indicators 2022-23 arising from her daughter being employed by EY. The interest was such that speaking was permissible.

In accordance with the Members' Code of Conduct, Councillor D E Hughes declared a personal interest in Agenda Item 11 – Surrey Minerals and Waste Local Plan – Issues and Options arising from the proximity of a family member's property to the site. The interest was such that Councillor Hughes left the Council Chamber during the consideration and determination of the item.

In accordance with the Officer Employment Procedure Rules, the Chief Executive, Julie Fisher, declared a disclosable personal interest (non-pecuniary) in any items concerning the companies of which she was a Council-appointed director. The interests were such that Mrs Fisher could advise the Executive on those items.

In accordance with the Officer Employment Procedure Rules, the Director of Legal and Democratic Services, Joanne McIntosh, declared a disclosable personal interest (non-pecuniary) in any items concerning the companies of which she was a Council-appointed director. The interests were such that Mrs McIntosh could advise the Executive on those items.

In accordance with the Officer Employment Procedure Rules, the Director of Planning, Giorgio Framalico, declared a disclosable personal interest (non-pecuniary) in any items concerning the companies of which he was a Council-appointed director. The interests were such that Mr Framalico could advise the Executive on those items.

In accordance with the Officer Employment Procedure Rules, the Director of Neighbourhood Services, Geoff McManus, declared a disclosable personal interest (non-pecuniary) in any items concerning the companies of which he was a Council-appointed director. The interests were such that Mr McManus could advise the Executive on those items.

In accordance with the Officer Employment Procedure Rules, the Director of Housing, Louise Strongitharm, declared a disclosable personal interest (non-pecuniary) in any items concerning the companies of which she was a Council-appointed director. The interests were such that Mrs Strongitharm could advise the Executive on those items.

In accordance with the Officer Employment Procedure Rules, the Director of Finance, Leigh Clarke, declared a disclosable personal interest (non-pecuniary) in any items concerning Woking Football Club and/or the GolDev Woking Limited development. The interest arose from her husband having a small shareholding in Woking Football Club. The interest was such that Mrs Clarke could advise the Executive on those items.

5. QUESTIONS

No written questions had been submitted under Section 3 of the Executive Procedure Rules.

6. MEDIUM TERM FINANCIAL STRATEGY (MTFS), GENERAL FUND, SERVICE PLANS, BUDGETS AND PRUDENTIAL INDICATORS 2022-23 EXE22-001

Councillor Ashall, Portfolio Holder for Corporate Financial Planning and Policy, introduced the report outlining the proposed General Fund, Service Plans, Budgets and Prudential Indicators 2022-23. Councillor Ashall reported that the General Fund Budget proposed an increase in Council Tax of 2% for 2022-23 which resulted in a Band D Council Tax figure for 2022-23 of £255.46, an increase of £5.00 per annum at Band D.

Attention was drawn to paragraph 8.18 of the report which asked the Executive to resolve that the parent guarantee provided by the Council to Total Gas and Power (TGP), the supplier of gas and top-up electricity to Thamesway, be increased to £843,000. It was explained that this was necessary due to the increase in energy costs and the increased quantity of gas required to supply Victoria Square. It was highlighted that the matter concerned a guarantee and not a cash payment.

Following an independent comprehensive assessment of the Council's assets and liabilities, the Executive received a copy of the Comprehensive Statement Response Report and was asked to agree the actions for the Council in response to the Statement. It was noted that the Comprehensive Statement had been presented to the Overview and Scrutiny Committee at its meeting on 24 January 2022 and the Executive welcomed the four key points raised by the Committee. The Executive agreed that the issues raised by the Committee be incorporated into the actions for the Council in response to the Statement.

The Executive noted that the Medium Term Financial Strategy (MTFS) would be updated and brought to the Executive at its meeting on 24 March 2022 alongside the Council's Corporate Strategy.

The Leader of the Council, Councillor Azad, reported that following on from the Comprehensive Statement, the Leader would be overseeing work to review the Thamesway Group of Companies. The Executive heard that the work would follow the same Member involvement as the Comprehensive Statement, with reports to the Overview and Scrutiny Committee, a Member Briefing, and reports to Executive and Council. It was hoped that the work would be underway by the end of March 2022. The Leader reminded the Executive of why the Thamesway structure had been first set-up by the Council and explained that Thamesway had been established to deliver Council objectives through long term investment in sustainable energy, housing, and regeneration, rather than short term profits. Some of Thamesway's achievements were highlighted, including the provision of 504 affordable homes, the popular Earn Your Deposit Scheme, a saving of 4,856 tonnes of carbon dioxide in 2021, as well as its work in Sheerwater and preventing homelessness. The Leader acknowledged that the Thamesway business and its finances were complex and advised that work was underway with Thamesway to improve transparency for Members.

Discussion ensued on the Government's current consultation on the Minimum Revenue Provision (MRP). The Executive was informed that Officers had met with the Government to explain the impact any changes to the MRP would have on the Council's finances. The Portfolio Holder was hopeful that Government would adjust its approach given the Council's concern at the proposals and how it would impact the Council.

Following a question regarding plans to bring into the Council additional resource and skills as suggested in the Comprehensive Statement carried out by EY, the Executive was

advised that, as a matter of priority, plans were already underway and would incorporate the separate EY workstream which was progressing around Victoria Square.

The possibility of changes to the Public Works Loan Board (PWLB) regulations for borrowing was raised. The Executive heard that the risk for the Council would be that borrowing would become less attractive and make investment in the Borough less viable or not possible depending on what future changes were made.

Members also discussed staffing numbers, contingent liabilities, and the repayment of interest costs. It was noted that the £55m of interest costs was paid back through the incomes received by the Council. The Portfolio Holder suggested that the March MTFS could provide more clarity on those incomes, and further information on contingent liabilities.

The Executive thanked the Finance Director and her team for their hard work in compiling the finance reports on the agenda.

RESOLVED

- That (i) as detailed in paragraph 8.18 of the report, the parent company guarantee provided to Total Gas and Power to ensure Thameswey can supply energy to Victoria Square, be increased to £843,000;
- (ii) the Comprehensive Statement (Appendices 5a and 5b to the report) and the Overview and Scrutiny Committee's consideration of the Statement (section 4.21 of the report) be noted;
- (iii) the response to the Comprehensive Statement (Appendix 5 to the report) be noted;
- (iv) the actions for the Council in response to the statement as highlighted in section 4.19 of the report be agreed and that these actions to incorporate the issues raised by the Overview and Scrutiny Committee highlighted in section 4.21:
- a. *adopting a stronger strategic approach to the management of assets;*
 - b. *development of its commercial and strategic finance capacity and expertise in order to drive out the returns from our investments;*
 - c. *completing the review of Governance of Companies, the strategic alignment between the Council and Thameswey group (through the established business and financial planning framework) and the intelligent client capability retained within the Council. This review should address the specific risks highlighted for Thameswey Energy Limited (TEL) and Thameswey Milton Keynes Limited (TCMK);*
 - d. *strengthening the oversight of Town Centre management including the strategic management of the assets;*

- e. *continuing to develop and strengthen the Medium and Long-Term Financial Strategy and the strategic management of reserves within this.*

RECOMMENDED to Council

That (v) the Revenue Estimates and Human Resource requirements for 2022/23 be approved;

(vi) a Band D Council Tax for the Borough of Woking for 2022/23 of £255.46 be approved; and

(vii) the Prudential Indicators at Appendix 3 to the report be approved, subject to any changes arising from consideration of the Investment Programme, revenue budgets and Final Government Settlement.

Reason: To recommend that Council approves the resources necessary for the provision of services and raises the necessary revenue through the determination of Council Tax for 2022/23.

7. HOUSING REVENUE ACCOUNT BUDGETS 2022-23 EXE22-002

The Executive received the Housing Revenue Account (HRA) Budgets 2022-23 for recommendation to Council.

RECOMMENDED to Council

That (i) the draft Housing Revenue Account budgets for 2022/23, as set out in Appendix 1 to the report, be agreed; and

(ii) with effect from 4 April 2022, rents be increased by 4.1%.

Reason: To recommend that the Council approves the resources necessary to implement its objectives and to enable the Council to determine charges to tenants for 2022/23.

8. INVESTMENT PROGRAMME 2021-22 TO 2025-26 EXE22-003

The Executive received the Investment Programme 2021-22 to 2025-26 which set out the capital and one off investments required to deliver the Council's key strategies and objectives. The Portfolio Holder, Councillor Ashall, informed the Executive that a review of the temporarily suspended projects had been undertaken. It was noted that some projects had moved onto the pipeline projects list and others had been removed from the Investment Programme as they were no longer required. Councillor Ashall highlighted that the Government Settlement, announced in December 2021, was only for one year which made medium term financial planning difficult.

Councillor Ashall provided an update on the status of the flood alleviation schemes, including Byfleet. The Executive heard that the projects had moved to the suspended list in 2020/21 whilst the Council sought funding to ensure the delivery was affordable. It was noted that the projects remained in the Investment Programme and were shown in the

pipeline list to be brought into the funded Programme when an affordable funding proposal was identified.

Following a question regarding Opportunity Purchases, it was highlighted that such Purchases would be assumed to be neutral to the revenue budget.

Playground improvements were discussed and the Executive was informed that a future refurbishment programme was currently being prepared by Officers in discussions with the Portfolio Holder. It was noted that Officers would continue to progress with the refurbishment of the remaining three play areas identified in the current programme for which funding had been identified.

Following a query regarding payment to Rutland in respect of the Robin Hood site, it was explained that the payment was the balance remaining from the original approved loan facility relating to the acquisition of the Robin Hood site.

In answer to a question concerning the acquisition of the Victoria Square car park element by the Council, the Portfolio Holder confirmed that it had always been planned that the car park would be bought back by the Council to ensure that the Council benefited from the revenues.

Members discussed the Investment Programme process and it was explained that the Leader exercised proper authority when making decisions on projects, generally through consultation with the Portfolio Holder and responsible Officers. It was noted that the Investment Programme was subject to Council approval.

Members also discussed Celebrate Woking and Woking Gymnastics Club.

RECOMMENDED to Council

That (i) the Investment Programme 2021/22 to 2025/26 be approved subject to reports on projects where appropriate; and

(ii) the proposed financing arrangements be approved.

Reason: To recommend to the Council that it approves the capital resources for 2022/23 onwards considered necessary to support its service plans and objectives.

9. CAPITAL, INVESTMENT AND TREASURY MANAGEMENT STRATEGIES EXE22-004

The Executive received a report which set out the Council's Capital, Investment and Treasury Management Strategies for 2022-23 and recommended to Council that the Treasury Management Prudential Indicators and Minimum Revenue Provision (MRP) Strategy be adopted. Members discussed the risks facing the Council's financial position, such as rising interest rates and the risk of inflation. The Leader confirmed that the Council was aware of the risks facing the Council and commented on the timeliness of the EY report and the planned review of the Thameswey companies, noting that it was important to find mitigations to identified risks. The Portfolio Holder added that the key to the Council's financial success was the success of the Borough in attracting income from businesses and visitors.

RESOLVED

That (i) the Treasury Management Strategy set out in the report be approved; and

RECOMMENDED to Council

That (ii) the Capital and Investment Strategies for 2022/23 be approved; and

(iii) the Treasury Management Prudential Indicators set out in table 1 of Section 4 of the Treasury Management Strategy and the MRP policy set out in Appendix A be approved, subject to any changes arising from consideration of the Investment Programme, revenue budgets and Government Funding Settlement.

Reason: To determine the Council's Treasury Management Strategy for 2022/23 and to recommend to Council the Capital and Investment Strategies, Treasury Management Prudential Indicators and MRP Strategy to be adopted.

10. SURREY 2050 PLACE AMBITION EXE22-016

The Executive received a report which sought approval to the Council's response to Surrey County Council's public consultation on the contents of the Surrey 2050 Place Ambition. Councillor Elson, Portfolio Holder for Planning Policy, introduced the report and explained that the Surrey 2050 Place Ambition set out what Surrey's strategic partners wanted to collectively achieve over the next 30 years in terms of good growth. The Executive welcomed the report and the opportunity to work with the County Council and other Boroughs and Districts. The positive news that Woking had been identified as one of eight Strategic Opportunity Areas was also welcomed.

Discussion ensued on specific actions identified in the report which could be bolder in the Surrey 2050 Place Ambition. The Portfolio Holder advised that the Council would be willing to work with stakeholders to deliver a more ambitious programme, noting the need for balance to ensure actions were realistic and deliverable within the timeframe.

Following a question regarding the definition of the Woking Hub, it was explained that the Hubs had been defined for the purposes of consultation. It was noted that the rationale behind the definition of the Woking Hub and the governance arrangements that would be needed to facilitate its delivery required further exploration by Officers. Delegated authority was therefore sought for the Director of Planning to lead on the discussion with the Surrey Future Steering Board.

Following a query on paragraph 4.4 in the report regarding flood alleviation to potentially unlock land for future development, it was confirmed that there was no need for additional land during the plan period of the recently adopted Site Allocations DPD. The Portfolio Holder added that the flood alleviation scheme was primarily to defend existing properties, and also enable the development of some of the Council's proposed SANGs. It was acknowledged that this could be made clearer in the Council's response.

RESOLVED

- That (i) the contents of the Surrey Place Ambition together with Officers' response be noted;
- (ii) delegated authority be given to the Director of Planning to send the Council's response as set out in Section 4 of the report to Surrey County Council; and
- (iii) delegated authority be given to the Director of Planning, in consultation with the Portfolio Holder for Planning, to continually engage with Surrey County Council and the other stakeholders in the preparation and implementation of the Surrey 2050 Place Ambition.

Reason: To ensure that Members of the Executive are informed about contents of the Surrey 2050 Place Ambition.

11. SURREY MINERALS AND WASTE LOCAL PLAN - ISSUES AND OPTIONS EXE22-025

The Executive received a report which sought approval to the Council's response to Surrey County Council's public consultation on the Minerals and Waste Local Plan – Issues and Options. Councillor Elson, Portfolio Holder for Planning Policy, advised the Executive of the key points covered in the Council's response, which included the need to relocate the existing operations at the Aggregates Yard to a suitable and appropriate location.

It was noted that an Aggregates Site Working Group had been set up by Council at its meeting on 2 December 2021 comprising of the three Ward Members, the County Divisional Member for the Ward, and the Portfolio Holder for Infrastructure. The Executive was informed that the Portfolio Holder for Infrastructure, Cllr Kemp, had met Network Rail last week and would be looking to set up the Working Group as soon as possible.

Following a query regarding the implications of the timing of HIF works and relocation of the Aggregates Yard, the Executive was advised that the two were not co-dependant. It was noted that there were significant benefits for relocating the Yard which were not linked or dependent on the HIF project. The Portfolio Holder commented that the Council's response to the consultation provided a careful balance of the two objectives. It was suggested that the response could be strengthened regarding the human impact of the current location of the Yard.

RESOLVED

- That (i) the response to the Minerals and Waste Local Plan – Issues and Options consultation, as set out in Appendix 1 to the report, be noted;
- (ii) delegated authority be given to the Director of Planning to submit the Council's response (as set out in Appendix 1 to the report) to Surrey County Council before the end of the consultation period; and
- (iii) delegated authority be given to the Director of Planning, in consultation with the Portfolio Holder for Planning, to continually

engage with the County Council and respond to any future consultation on the subsequent stages of the Plan-making process if this is deemed necessary.

Reason: To ensure that the views of the Council regarding minerals and waste management and development are fully considered by the County Council during the preparation of the Minerals and Waste Local Plan.

12. PERFORMANCE AND FINANCIAL MONITORING INFORMATION

The Executive considered the Performance and Financial Monitoring Information (Green Book) November 2021. Discussion ensued on affordable homes and it was noted that 167 new build affordable units had been delivered, along with seven street property acquisitions, in the current year to date. The Executive was aware that the target of 102 affordable homes per year had not been reached in recent years. The Director of Housing advised that the Council had schemes in the pipeline and was better placed to meet its targets going forward.

RESOLVED

That the Performance and Financial Monitoring Information, November 2021, be received.

Reason: To manage the performance of the Council.

13. MONITORING REPORTS - PROJECTS EXE22-005

The Executive received a quarterly monitoring report on the progress of projects in the interest of financial prudence and to ensure open and transparent corporate governance. A project update was provided on the installation of rising bollards in Church Street East. Following a query concerning progress on Playground Improvements Phase 4, it was noted that further funds had been included in the draft Investment Programme to complete the remaining three play areas identified in the current refurbishment list during 2022/23.

Regarding the Hoe Valley Flood Alleviation and Enhancement Appraisal, it was explained that the reference to Covid delaying the project recognised the overall impact to available funding.

The Executive was informed that the acoustic barrier required as part of the Sheerwater Regeneration Project would be an additional cost and would need to be managed through the Council's project management processes.

RESOLVED

That the report be received and project changes recorded in Appendix 1 to the report be approved.

Reason: To monitor progress on development to the Council's project management approach.

This document was published on Friday 4 February 2022 and the decisions within it will be implemented on Monday 14 February 2022, subject to call-in.

The meeting commenced at 7.00 pm
and ended at 8.24 pm.

Chairman: _____

Date: _____