

MINUTES
OF A MEETING OF THE
EXECUTIVE

held on 23 November 2017

Present:

Cllr D J Bittleston (Chairman)
Cllr C S Kemp (Vice-Chair)

Cllr A Azad Cllr S Hussain
Cllr Mrs B A Hunwicks Cllr M Pengelly

Also Present: Councillors A-M Barker, I Eastwood, K Howard and D E Hughes

Absent: Councillors A C L Bowes

1. MINUTES

RESOLVED

That the minutes of the meeting of the Executive held on 12 October 2017 be approved and signed as a true and correct record.

2. DECLARATIONS OF INTEREST

In accordance with the Members' Code of Conduct, the Leader of the Council, Councillor D J Bittleston, Councillor Mrs B A Hunwicks and Councillor C S Kemp declared a non-pecuniary interest in minute item 3 – Thamesway Business Plans 2018, minute item 4 – Woking Gateway, minute item 5 – Leisure Management Contract – Extension and Variations, minute item 8 – Draft General Fund Budget 2018-19, minute item 9 – Draft Housing Revenue Account Budget Update 2018-19, minute item 10 – Draft Investment Programme 2017-18 to 2020-21, minute item 11 - Performance and Financial Monitoring Information, minute item 14 – Victoria Square Update, minute item 15 – Woking Gateway and minute item 16 – Leisure Management Contract – Extension and Variations arising from their positions as Directors of the Thamesway Group of Companies. The interests were such that speaking and voting were permissible.

In accordance with the Members' Code of Conduct, the Leader of the Council, Councillor D J Bittleston declared a non-pecuniary interest in minute item 12 – Standing Order 18 – Appointment of a Relative of a Member of the Council arising from his daughter being appointed to a post at the Council. The interest was such that Councillor Bittleston remained in the Chamber during the consideration and determination of the item.

In accordance with Officer Procedure Rules, the Chief Executive, Ray Morgan, Deputy Chief Executive, Douglas Spinks, Strategic Director, Sue Barham and Head of Democratic and Legal Services, Peter Bryant, declared an interest in minute item 3 – Thamesway Business Plans 2018, minute item 4 – Woking Gateway, minute item 5 – Leisure Management Contract – Extension and Variations, minute item 8 – Draft General

Fund Budget 2018-19, minute item 9 – Draft Housing Revenue Account Budget Update 2018-19, minute item 10 – Draft Investment Programme 2017-18 to 2020-21, minute item 11 - Performance and Financial Monitoring Information, minute item 14 – Victoria Square Update, minute item 15 – Woking Gateway and minute item 16 – Leisure Management Contract – Extension and Variations arising from their positions as Directors of the Thamesway Group of Companies. The interest was such that speaking was permissible.

In accordance with Officer Procedure Rules, the Chief Executive, Ray Morgan declared an interest in minute item 3 – Thamesway Business Plans 2018, minute item 4 – Woking Gateway, minute item 8 – Draft General Fund Budget 2018-19, minute item 10 – Draft Investment Programme 2017-18 to 2020-2021, minute item 11 – Performance and Financial Monitoring Information, minute item 14 – Victoria Square Update and minute item 15 – Woking Gateway arising from his position as a Director of Victoria Square Woking Limited. The interest was such that speaking was permissible.

In accordance with Officer Procedure Rules, the Deputy Chief Executive, Douglas Spinks, and Head of Democratic and Legal Services, Peter Bryant, declared an interest in minute item 8 – Draft General Fund Budget 2018-19, minute item 10 – Draft Investment Programme 2017-18 to 2020-2021 and minute item 11 – Performance and Financial Monitoring Information arising from their positions as Directors of Woking Necropolis and Mausoleum Limited, Brookwood Park Limited and Brookwood Cemetery Limited. The interests were such that speaking was permissible.

In accordance with Officer Procedure Rules, the Chief Executive, Ray Morgan, and the Deputy Chief Executive, Douglas Spinks, declared an interest in minute item 8 – Draft General Fund Budget 2018-19, minute item 10 – Draft Investment Programme 2017-18 to 2020-2021 and minute item 11 – Performance and Financial Monitoring Information arising from their positions as Directors of Export House Limited. The interests were such that speaking was permissible.

3. THAMESWEY BUSINESS PLANS 2018

Councillor D J Bittleston, Leader of the Council, welcomed Terry Price, Independent Director of Thamesway, to the meeting.

The Executive received a report which sought approval of the Executive to recommend to Council the Thamesway Business Plans 2018. Following a question regarding a Member presentation on the Business Plans, Councillor Bittleston explained that a presentation had not been arranged due to the number of presentations held during the year and the burden placed on Members to attend. In addition it was felt that the covering report was very comprehensive. Councillor Bittleston stated that he would be happy to arrange a Member presentation on the Business Plans if Members would find it useful, provided that such a presentation was well attended. Regarding marketing plans, the Executive was advised that Thamesway did not receive marketing support from the Council however, Thamesway had identified the need to put in some additional marketing capacity. Following a question regarding skills and expertise in relation to Sheerwater, it was noted that Thamesway was aware of the capacity required to undertake the scheme.

Regarding Board School Road car park, the Chief Executive explained that the car park was opposite Wesco Court and currently leased to St Johns Ambulance. Thamesway Energy Limited required part of the car park for the installation of its local electricity network and connection to the North Road UK Power networks sub stations. It was noted that St

Johns Ambulance used the car park for training purposes and that the reconfiguration of the car park would be explored.

Discussion ensued on the number of Thamesway companies and the Executive was informed that there had been conversations regarding the groupings of companies. The Executive was advised that it was likely that the energy companies would be merged into one company, however it would be necessary to keep the housing companies as separate entities. It was highlighted that all Members were entitled to attend Thamesway Board meetings provided that a Non Disclosure Agreement was signed.

RECOMMENDED to Council

- That (i) the Business Plans for the Thamesway Group of Companies be approved;**
- (ii) Barry Maunders be appointed as an Independent Director of Thamesway Guest Houses Limited;**
- (iii) Councillor Colin Kemp, as Portfolio Holder for Housing, be appointed as a Councillor Director of Thamesway Guest Houses Limited and Thamesway Limited;**
- (iv) Thamesway Energy Limited be granted leases or licenses on appropriate commercial terms of:**
- a. a Lease of 9 & 9a Poole Road, Format House and adjoining land for the construction, subject to Planning Consent, of the Poole Road Energy Station accommodation;**
 - b. a Licence to occupy the Poole Road car park for the purpose of the construction of the Poole Road Energy Station;**
 - c. a Lease of part of the Board School Road car park for the installation of its local electricity network and connection to the North Road UK Power networks sub stations;**
- (v) Thamesway Developments Limited be authorised to draw down Loans on behalf of Thamesway Energy Limited to finance the construction of the Poole Road energy station;**
- (vi) an increased Loan Facility of £75M be allocated to Thamesway Housing Limited for the period of April 2020 to December 2021 to finance additional affordable homes, and £10M to service the debt with future years Loan facilities of £5M per annum for long term debt servicing pending reaching its full operational revenue; and**
- (vii) extension of the Loan Facility for Thamesway Central Milton Keynes Limited for 2020 and 2021 in the aggregate sum of £5,020,000.**

Reason: To recommend to Council the approval of the Business Plans for each of the Thameswey Group companies.

4. WOKING GATEWAY

The Executive received a report which sought approval of the Executive to recommend to Council to enter into a Development Agreement with Coplan Estates Limited. Following a question concerning vehicle access and parking, the Executive was advised that the modelling undertaken regarding the Woking Integrated Transport Package had included assumptions on the proposed Woking Gateway development. It was noted that the parking requirements for Woking Gateway would be determined at the planning application stage. Members also discussed the mix of public and private space in the proposed development. Councillor Bittleston stated that the Council should have the option to acquire the development's commercial space which it was hoped, due to the Council's significant investment in Victoria Square, would attract high quality shops. Affordable housing was raised and the Executive was informed that it would be difficult to include affordable housing in the Woking Gateway development due to the cost of the development and the cost of land. However, the Executive noted that the Council would receive a contribution towards affordable housing provision elsewhere in the Borough.

The Executive welcomed the Woking Gateway proposal which would deliver, if approved, the next significant step in the regeneration of the Town Centre after the completion of Victoria Square.

RECOMMENDED to Council

- That (i) a Development Agreement be entered into with Coplan Estates Limited; and**
- (ii) the Executive be authorised to consider whether to exercise the option to acquire the commercial space to be provided by the development. In the event that it does decide to exercise the option, the Executive be authorised to approve the terms for the acquisition of the commercial space to be provided by the development.**

Reason: To enable the development proposals for the Woking Gateway to be prepared for consideration by the Planning Committee.

5. LEISURE MANAGEMENT CONTRACT - EXTENSION AND VARIATIONS

The Executive received a report which sought approval of the Executive to recommend to Council to extend the existing Leisure Management Contract by the full extension period possible of four years and agree to the inclusion of various variations to the contract. Discussion ensued on the performance of Woking Leisure facilities and the Portfolio Holder for Leisure, Councillor M Pengelly, reported that satisfaction levels with the facilities were generally very high. It was highlighted that Freedom Leisure had achieved Quest Stretch at Woking Leisure Centre, an industry accreditation held by only 13 centres in the UK. In addition, Freedom Leisure had maintained Quest Plus at the Pool in the Park. The Executive was supportive of extending the existing Leisure Management Contract to include the new Hoe Valley Leisure facilities and investment proposals, including refurbishment of the changing

rooms at both the Leisure Centre and Pool in the Park.

RECOMMENDED to Council

- That (i) the existing Leisure Management Contract with Greenwich Leisure Limited be amended to include the agreed variations (Scenario B & C) together with investment in Leisure Centre Changing Room facilities and subsequently extended until 30 November 2025;
- (ii) loans of up to £1,855,000 be taken out by the Council to cover the Flumes and associated water features at Woking Pool in the Park, the Pool in the Park Changing Room facilities, and the Leisure Centre Changing Room facilities;
- (iii) if the Finance Director considers it beneficial for tax purposes, a loan facility of up to £1,855,000, attracting a 2% margin above the relevant PWLB rate on the date of drawdown, to be made available to Greenwich Leisure Limited/Freedom Leisure for the Flumes and associated water features at Woking Pool in the Park, the Pool in the Park Changing Room facilities, and the Leisure Centre Changing Room facilities; and
- (iv) all necessary consents be entered into and contract variations made to the existing Leisure Management Contract to accommodate the extension and investments.

Reason: To secure a Leisure Operator for the managing of Hoe Valley Leisure facilities together with necessary investment in existing facilities in a manner that offers the Council best value and secures improvements to meet customer and resident expectations.

6. REVIEW OF FEES AND CHARGES 2018-19

The Executive received a report detailing the proposed discretionary fees and charges for 2018-19. It was agreed that an update would be provided on recommendation (ii) concerning Telecare Sensors and a six week discharge/distraction burglary offer, and recommendation (iii) concerning the Homesafe Service, in due course.

RECOMMENDED to Council

- That (i) the discretionary fees and charges, as set out in Appendices 1 – 4 of the report, be approved;

- (ii) **delegated authority be given to the Strategic Director, in consultation with the relevant Portfolio Holder, to agree county-wide partnership pricing structure for Telecare Sensors and 6 week discharge / distraction burglary service offer;**
- (iii) **delegated authority be given to the Strategic Director, in consultation with the relevant Portfolio Holder, to agree fees and charges for the Homesafe Service should it become necessary to do so; and**
- (iv) **delegated authority be given to the Strategic Director, in consultation with the relevant Portfolio Holder, for making minor amendments to fees and charges for Hoe Valley Leisure Facilities.**

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

7. CALENDAR OF MEETINGS 2018-19

RECOMMENDED to Council

That the Calendar of Meetings 2018/19 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".

8. DRAFT GENERAL FUND BUDGET 2018-19

Councillor A Azad, Portfolio Holder for Corporate Financial Planning and Policy, introduced the report which outlined the draft General Fund Budget for 2018-19. Councillor Azad explained that the report represented an interim stage in the business planning process of the Council and that the Local Government Finance Settlement would need to be incorporated when further updates were known. The Executive was informed that there continued to be budgetary pressures due to the negative Revenue Support Grant (RSG). Councillor Azad highlighted that the strategic investments acquired by the Council had generated sufficient income to offset the 2018/19 cost pressures. Following a question regarding the number of lease cars and their cost effectiveness for the Council, Officers reported that 67 Council staff had lease cars, the Mayor's car was a lease car and Neighbourhood Services had three lease cars. The Executive was advised that Officers could consult with Unison regarding the removal of the option of lease cars to staff. It was commented that the option of a lease car was advantageous to staff on lower incomes.

RESOLVED

- That (i) the draft General Fund Budget for 2018/19 be received;
and
- (ii) Managers, Corporate Management Group and Portfolio Holders be asked to review the draft budget to identify cost reductions from transformational savings and efficiencies, or new income streams including Invest to Save proposals. The aim will be to achieve these with the minimum impact on citizen outcomes.

Reason: Consideration of these proposals will enable the preparation of the Council's budgets for 2018/19 to proceed.

9. DRAFT HOUSING REVENUE ACCOUNT BUDGET UPDATE 2018-19

The Executive received a report which set out the Council's draft Housing Revenue Account (HRA) budgets for 2018-19.

RESOLVED

That the draft Housing Revenue Account budgets for 2018/19, as set out in Appendix 1 to the report, be agreed for consultation with the Corporate Management Group and Portfolio Holder.

Reason: Consideration of these proposals will enable the preparation of the Council's Housing Revenue Account budgets for 2018/19 to proceed.

10. DRAFT INVESTMENT PROGRAMME 2017-18 TO 2020-21

The Executive received a report which set out the draft Investment Programme 2017-18 to 2020-21. Discussion ensued on known slippage in the Investment Programme and it was reported that the Finance Task Group, at its meeting in the summer, had received a paper on slippage. The Executive was advised that slippage was usually as a result of general timing issues, notable slippages outside the Council's control being work with the Environment Agency on flood relief schemes. It was confirmed that, if projects were removed, Officers would ensure that attention was drawn to those projects removed from the Programme. Officers undertook to provide the Shadow Portfolio Holder with future Finance Task Group reports on slippage.

RESOLVED

- That (i) the draft Investment Programme for 2017/18 to 2020/21 be received;

- (ii) Managers, Corporate Management Group and Portfolio Holders be asked to review the Programme for cost improvements including reviewing the projects, their costs and timing to achieve savings with the minimum impact on citizen outcomes;
- (iii) sites for development to deliver more HRA homes be worked up for consideration by the Executive;
- (iv) improvements to the kitchen and reception area of the Export House incubator units, at a cost of £24,250, are approved to proceed;
- (v) an additional £50k be approved for the Woking Park Play Area project to enable the Kiosk to be delivered as originally intended; and
- (vi) an additional £2.5m Development Loan Facility be made available to Thamesway Developments Limited, in accordance with the arrangements approved by the Council on 6 April 2017.

Reason: To agree the draft Investment Programme for consultation before submission for final approval to the Council in February 2018.

To authorise specific investment projects, in Export House and Woking Park, in exercise of its delegated authority to approve schemes up to an aggregate of £10m in any one year.

To authorise an additional Loan Facility for Thamesway Developments Limited to enable the preparation of a further Hybrid Planning Application for the Regeneration of Sheerwater.

11. PERFORMANCE AND FINANCIAL MONITORING INFORMATION

The Executive considered the Performance and Financial Monitoring Information (Green Book), September 2017 and also took into account the October 2017 Green Book which had recently been published and tabled at the meeting. Regarding temporary housing provision, the Executive noted the success of the Thamesway Guest House which was reducing the cost to the Council of using B&B accommodation. It was also noted that the Guest House was being used by other local authorities when capacity was available.

Members also discussed the Sean Henry sculptures in the Town Centre and were informed that the cost of the sculptures had been met from the Victoria Square and Town Centre Integrated Transport budgets, and not from the Council's General Fund.

Attention was drawn to the increase in the cost of statutory notices and Officers agreed to keep the situation under review.

RESOLVED

That the Performance and Financial Monitoring Information, September 2017, be received.

Reason: To manage the performance of the Council.

12. STANDING ORDER 18 - APPOINTMENT OF A RELATIVE OF A MEMBER OF THE COUNCIL

RESOLVED

That the appointment of Louise Bittleston be noted in accordance with Standing Order 18.

13. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded from the meeting during consideration of items 14 to 16 in view of the nature of the proceedings that, if members of the press and public were present during these items, there would be disclosure to them of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A, to the Local Government Act 1972.

Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

14. VICTORIA SQUARE UPDATE

RECOMMENDED to Council

That the recommendations set out in the Part II report be agreed.

Reason: To enable the further development of Victoria Square.

15. WOKING GATEWAY

RECOMMENDED to Council

That the recommendations set out in report EXE17-070 in Part I of the agenda be approved.

Reason: To enable the development proposals for the Woking Gateway, to be prepared for consideration by the Planning Committee.

16. LEISURE MANAGEMENT CONTRACT - EXTENSION AND VARIATIONS

RECOMMENDED to Council

That the supporting information contained in the report be noted.

Reason: To enable the extension and variations proposed on the Leisure Management Contract to be made.

This document was published on Friday 24 November 2017 and the decisions within it will be implemented on Monday 4 December 2017, subject to call-in.

The meeting commenced at 7.30 pm
and ended at 8.29 pm

Chairman: _____

Date: _____