

MINUTES  
OF A MEETING OF THE  
**EXECUTIVE**

held on 14 September 2023

Present:

Cllr A-M Barker (Chairman)  
Cllr W Forster (Vice-Chair)

Cllr P Graves            Cllr E Nicholson  
Cllr L Lyons            Cllr D Roberts

Absent:    Councillors I Johnson.

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Johnson.

**2. DECLARATIONS OF INTEREST**

In accordance with the Officer Employment Procedure Rules, the Strategic Director – Corporate Resources, Kevin Foster, 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 Foster could advise the Executive on those items.

In accordance with the Officer Employment Procedure Rules, the Strategic Director – Communities, Louise Strongitharm, declared a disclosable personal interest (non-pecuniary) in any items concerning the companies of which she was a Council-appointed director. It was noted that Mrs Strongitharm's Council-appointed directorships had changed since the agenda was published. Mrs Strongitharm was no longer a Council-appointed director of the ThamesWey companies listed in the schedule attached to the agenda, however Mrs Strongitharm remained a Council-appointed director of the three Rutland companies. The interests were such that Mrs Strongitharm could advise the Executive on those items.

The interest of the Head of Transformation and Digital, Adam Walther, was referred to in the agenda but it should be noted that Mr Walther was not present at the meeting.

**3. MINUTES**

RESOLVED

That the minutes of the meeting of the Executive held on 13 July 2023 be approved and signed as a true and correct record.

**4. URGENT BUSINESS**

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

**5. QUESTIONS**

No written questions had been submitted under Section 3 of the Executive Procedure Rules. The Leader highlighted that the Executive welcomed questions from members of the public and explained the submission process. The deadline for written questions from members of the public was 12 noon, seven days before the Executive. The next Executive would be held on 5 October 2023, so the deadline for written questions was 12 noon, 28 September 2023.

**6. MEDIUM TERM FINANCIAL STRATEGY (MTFS) EXE23-064**

The Leader of the Council, Councillor Barker, drew attention to the positive and constructive discussion on the Medium Term Financial Strategy (MTFS) which had taken place at the Overview and Scrutiny Committee on Monday, 11 September 2023. Following points raised at the Committee, it was reiterated that Impact Assessments would take place on the proposals being put forward.

The Leader provided an update on the Council's companies. Due to the Council's critical financial position, the Leader explained that the Council would not be able to support or subsidise the companies moving forward and the Council and the companies would need to take advice on how to deal with the challenges presented. The Leader advised that the Council was in positive and supportive discussions with Government in respect of proposals that required borrowing support in order to get the best outcomes for the public purse and delivered the best value for money returns from the historic investments the Council had made. It was noted that the Council would only proceed with additional investment and borrowing where it had Government support and funding.

The Leader reported that Business Cases were being prepared for Government in order to secure Government support in relation to completing, or partially completing, specific schemes that were already in delivery by companies owned by the Council when the Section 114 Notice was issued, primarily ThamesWey and Victoria Square Woking Limited. It was noted that the Council had agreed to the deferral of loan repayments due from companies to the Council until 31 December 2023. This decision had been taken following legal advice and was supported by Commissioners.

The Executive heard that significant progress had been made in confirming this approach with Government and was being progressed for the Victoria Square and the Sheerwater Redevelopments. The Leader proposed an addendum to the MTFS that would be incorporated into the report when it was considered by Council at its meeting on 28 September 2023. The addendum would note that the Council's Investment Programme accommodated investment where full Government funding and support existed to facilitate the completion of assets that were partially complete and to deliver best value for the public purse. Attention was drawn to the capital planning principles contained in the July MTFS report, namely Principle C, which referred to items where following support from Government and Commissioners, resources were provided for specific schemes that were already in delivery when the Section 114 Notice was issued. Therefore, investment in Victoria Square and ThamesWey would continue where it was in accordance with Principle

C. A further report would be brought back to the Executive to set out the actions being taken by Officers to implement those decisions.

Councillor Forster, Portfolio Holder for Key Projects, provided an update on the Sheerwater Regeneration Scheme and advised that the Council and ThamesWey were in negotiations with Government around drawing down previously approved money to complete the Red, Yellow and Copper phases. Once negotiations had been completed and agreed, the Council would have a timescale on when those phases would be implemented.

Councillor Roberts, Portfolio Holder for Finance, introduced the report which set out the strategic financial approach that the Council needed to take to deliver the Improvement and Recovery Plan (IRP) and respond to the Section 114 Notice, whilst continuing to meet the Council's statutory duties. The Executive noted that the report included feedback from the recent resident engagement exercise, alongside next steps for public consultation on proposed changes to Council services.

The Portfolio Holder tabled a proposed amendment to recommendation (iv) to read "the Chief Executive, as Head of Paid Service, has the delegated authority to now proceed with the full implementation of changes to Council staffing structures following consultation on those structures. These changes are contained in the MTFS Fit For The Future savings 3(A) Table of Annex 6 to the report". The Executive agreed the amended recommendation (iv) which would enable the Chief Executive, as Head of Paid Service, to complete the staffing restructures required.

Executive Members highlighted the proposed savings in their individual Portfolio areas, including the phased closure of Pool in the Park, removal of community grant funding, closure of public conveniences, and removal of funding to arts, cultural and sports development. The Executive expressed much regret at the proposed savings contained in the MTFS whilst acknowledging that difficult decisions needed to be taken in order to put forward a balanced budget, which was a legal requirement. The Council would need to demonstrate it had 'its own house in order' before making a case to Government for financial support to deal with the estimated Deficit of £1.2bn due to the Council's historic investment strategy. Subject to the agreement of Council on 28 September 2023, formal public and stakeholder/service user consultation would commence on 2 October 2023 for six weeks to understand the implications of the savings proposals.

#### **RECOMMENDED to Council**

- That (i) the MTFS and embedded MTFP are an estimate of the Council's current financial position at Q2, noting that the figures will change as further updating takes place;**
- (ii) it be noted that the Section 114 Deficit continues to be reviewed but is able to be used for conversations with Government to attain financial support and for other sundry purposes as referred in the report;**
- (iii) the Council consults on a number of the proposed savings contained within the MTFS, as set out in Annex 6 to the report; and**

**(iv) the Chief Executive, as Head of Paid Service, has the delegated authority to now proceed with the full implementation of changes to Council staffing structures following consultation on those structures. These changes are contained in the MTFS Fit For The Future savings 3(A) Table of Annex 6 to the report.**

Reason: The decision is sought to ensure open and transparent governance in the financial affairs of the Council in balancing the 2024/25 Budget.

**7. UK SHARED PROSPERITY FUND (UKSPF) GROUP – TERMS OF REFERENCE EXE23-066**

The Executive received a report which sought approval of the Terms of Reference of the UK Shared Prosperity Fund (UKSPF) Group. The Executive was informed that the UKSPF had been setup by Government to succeed previous EU funds and formed part of the Government's 'Levelling Up' agenda. The Council had been awarded £1m from the Fund over a period of 3 years and it was necessary to have governance arrangements in place to enable the Council to allocate the money. It was noted that UKSPF funding had been used previously in the Borough to upgrade playgrounds in Horsell and Goldsworth Park.

RESOLVED

That the Terms of Reference, attached at Appendix 1 to the report, be agreed.

Reason: To enable the UK Shared Prosperity Fund Group to meet.

**8. FINANCIAL MONITORING REPORT EXE23-051**

The Executive received the first Financial Monitoring Report which set out the material financial issues identified since the 2023/24 budget was set, based on the income and expenditure as at end of June 2023 (Quarter 1). Councillor Roberts, Portfolio Holder for Finance, explained that the paper reported on budget forecast and variance within the Council's Directorates and would be received by the Executive quarterly. The Executive welcomed the report which would improve governance, control and accountability. The implementation of a new financial forecasting process was considered vital and would enable monitoring and course correction during the financial year. Over time, the financial and service reporting information would be integrated and replace the Green Book. Officers were thanked for their work on producing the report.

RESOLVED

That (i) the Council's forecast General Fund outturn position for 2023/24 be noted; and

(ii) it be noted that the Corporate Leadership Team will continue to identify mitigations to enable the net expenditure for 2023/24 to be contained within budget approved by Council on 23 February 2023.

Reason: Controlling the outturn within budget is essential to maintain financial control.

**9. MONITORING REPORTS - PROJECTS EXE23-027**

The Executive received a report which provided an update on progress in relation to the Council's project management arrangements, assurance and processes. The report included the status of projects as at the end of July 2023. The five projects marked red in the report were highlighted, including Rainwater Gardens and Redevelopment of Garages at Bonsey Lane. It was noted that an update on Victoria Arch would be received in the coming months.

The Executive welcomed the completion of Play Area Repairs, such as surfacing repairs, at five playgrounds in the Borough.

**RESOLVED**

That (i) the report be received; and

(ii) the detailed project monitoring 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 15 September 2023 and the decisions within it will be implemented on Monday 25 September 2023, subject to call-in.**

The meeting commenced at 7.00 pm  
and ended at 8.03 pm.

Chairman: \_\_\_\_\_

Date: \_\_\_\_\_