

MINUTES
OF A MEETING OF THE
EXECUTIVE

held on 16 November 2023

Present:

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

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

Also Present: Councillors J Brown, K Davis and L Rice.

1. APOLOGIES FOR ABSENCE

No apologies for absence were received.

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. The interests were such that Mrs Strongitharm could advise the Executive on those items.

The interest of the Head of Transformation, Digital and Customer, 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 5 October 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.

The Leader of the Council, Councillor Barker, provided a short update on the progress to recruit a new Chief Finance Officer/S114 Officer and a Deputy Finance Officer. It was noted that the recruitment process would involve cross party involvement. The Leader hoped that the positions would attract experienced finance people keen to have the opportunity to tackle the Council's challenges long-term.

The Leader advised that, since the last meeting of the Executive, the Chief Executive had announced her resignation. The Leader was disappointed to lose Mrs Fisher, however understood the personal decision that she had made. The Executive was informed that Mrs Fisher would remain with the Council until the budget was set in February 2024. The Leader would provide an update on plans to recruit a new Chief Executive in the near future. The Leader commented that the Council's Corporate Leadership Team (CLT) was committed to working for Woking and that the Leader had full confidence that CLT would do its best as the Council worked towards a balanced budget in February and beyond.

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 14 December 2023, so the deadline for written questions was 12 noon, 7 December 2023.

The Leader also highlighted that questions from members of the public were welcomed at Full Council and explained the submission process. The deadline for written questions from members of the public was 12 noon, seven working days before Full Council. The next Full Council would be held on 30 November 2023 and the deadline for written questions was 12 noon, 21 November 2023.

6. REVIEW OF FEES AND CHARGES 2024-25 EXE23-057

The Executive received a report detailing the proposed discretionary fees and charges for 2024-25. Councillor Roberts, Portfolio Holder for Finance, highlighted that the review of fees and charges needed to be considered in the context of, and was constrained by, the Council's current financial position following the issue of a Section 114 Notice in June 2023. The Executive noted that the Council faced a deficit of £1.2bn and was experiencing a budget shortfall of £12m due to an over reliance on commercial income. The Portfolio Holder advised that the Council had identified £8.5m savings to address the budget shortfall. Separately, the Council was working to resolve the historic debt which would prevent a legal budget being set for 2024-25 without Government support.

Attention was drawn to the Council's Improvement and Recovery Plan (IRP) which would address the capacity of the finance team, and the required improvements in the financial and commercial information which supported decision making on fees and charges. A Commercial Strategy was being developed as part of the IRP which would be used as a framework for setting fees and charges going forward. The Portfolio Holder therefore

proposed an additional recommendation (iv) to read “next year’s process will use the Commercial Strategy and Protocol being developed as part of the Improvement and Recovery as the framework for setting fees and charges, to ensure that fairness, equity and social impacts are balanced with a sound commercial approach”. The Executive welcomed the amendment to the recommendations.

Regarding car park charges, it was noted that a Parking Study was currently taking place and proposals would be put forward for Member consideration in February 2024.

The Portfolio Holder was grateful that the Overview and Scrutiny Committee would be considering the Review of Fees of Charge 2024-25 report under Urgent Business at its meeting on 20 November 2023.

Members also discussed charges regarding commercial open spaces, season tickets related to CO2 rating, garden waste and replacement waste bins, and consultation in respect of proposed January 2024 increases. Regarding community meals, the Executive acknowledged the rising costs of food items and recognised that increases were necessary to ensure services could continue and were cost neutral. As many of the services provided by the Council were non-statutory, it was necessary to increase fees and charges in order to continue provision and ensure services were cost neutral whilst being mindful of affordability.

Councillor Davis raised a question regarding the level of detail in the report and the difficulty in scrutinising fees and charges as a result. The Portfolio Holder acknowledged that the financial and commercial information used for setting fees and charges needed to further improve as part of the wider Improvement and Recovery journey. It was noted that Officers had used the best information available to put forward cost neutral discretionary services, balancing fairness to service users with affordability to taxpayers.

RECOMMENDED to Council

- That (i) the discretionary fees and charges for 2024/25, as set out in Appendices 1 – 4 of the report, be approved;**
- (ii) the proposed increases in discretionary fees and charges from 1st January 2024, as set out in Appendices 5 – 7 of the report, be approved;**
- (iii) to move the waste service to a cost neutral position as soon as possible, any of the proposed 2024/25 increases for Bulky Waste and Waste Receptacles set out in Appendix 2 to the report that can be implemented quickly should be introduced at the earliest practical date following approval by Council; and**
- (iv) next year’s process will use the Commercial Strategy and Protocol being developed as part of the Improvement and Recovery as the framework for setting fees and charges, to ensure that fairness, equity and social impacts are balanced with a sound commercial approach.**

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. CLIMATE CHANGE SUPPLEMENTARY PLANNING DOCUMENT (SPD) EXE23-067

The Executive received a report which recommended to Council the adoption of the revised Climate Change Supplementary Planning Document (SPD) which would provide updated guidance on the application of policies within the Core Strategy relating to climate change. Councillor Lyons, Portfolio Holder for Planning Policy, advised that the consultation on the Climate Change SPD had been widely advertised and had received 17 responses, including Thames Water, Natural England, WeACT and local Neighbourhood Forums. Following a question, it was confirmed that the number of responses received was typical for such a consultation. The Portfolio Holder thanked Officers for their hard work on the revision of the SPD.

RECOMMENDED to Council

That (i) the various representations to the Climate Change Supplementary Planning Document (SPD) consultation together with Officer's responses and recommendations as set out in Appendix 1 to the report be noted;

(ii) the revised Climate Change SPD included in Appendix 2 to the report be adopted as Supplementary Planning Document for the purposes of managing development across the Borough and other planning decisions; and

(iii) the requirements of the SPD should apply from the date of adoption, in this case 30th November 2023.

Reason: To ensure that there is up to date guidance on the implementation of policies within the Core Strategy relating to climate change and ensuring development can contribute towards the vision of a sustainable Woking.

8. CALENDAR OF MEETINGS 2024-25 EXE23-058

The Executive received a report which sought approval to recommend to Council the Calendar of Meetings 2024-25. It was noted that the report proposed that meetings of the Overview and Scrutiny Committee were held in the same week as the Executive to allow for pre-decision scrutiny. In addition, it was proposed to reduce the number of Planning Committees held during June and July. The Leader reminded Members that additional meetings could be arranged during the Municipal Year if required.

RECOMMENDED to Council

That the Calendar of Meetings 2024/25 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".

9. COMPANIES GOVERNANCE FRAMEWORK AND BUSINESS CASES FOR VICTORIA SQUARE WOKING LTD AND THAMESWEY DEVELOPMENTS LTD (SHEERWATER) SUPPORTED BORROWING EXE23-069

The Executive received a report which sought approval of the adoption of the Companies' Governance Framework which would provide a comprehensive, scalable set of requirements for all companies in which the Council had an interest. The report also provided an update on the two business cases submitted to Government through the Department for Levelling Up, Housing and Communities (DLUHC) in respect of Victoria Square Woking Limited (VSWL) and ThamesWey Housing Limited (Sheerwater).

Following the Council's policy decision to reform company governance in July 2022, the Council had removed Councillors as directors of Council-owned companies to avoid any conflict of interests, and had introduced the Shareholder Liaison Service. It was noted that the Companies' Governance Framework would strengthen the arrangements the Council and its companies had in place and followed national best practice.

Councillor Forster, Portfolio Holder for Key Projects, provided an update on the business cases which had been presented to Government regarding the Victoria Square and Sheerwater Regeneration schemes in consultation with Commissioners and advisors. The detailed business cases were included in the Part 2 report due to commercial sensitivities. The Portfolio Holder explained that the business cases set out the reasoning as to why it was in the broader interests of the public purse for the Government to allow the Council to continue to access Public Works Loan Board (PWLB) borrowing to enable the completion of the Victoria Square hotel and the three phases (Red, Yellow, Copper) of the Sheerwater Regeneration scheme, thereby increasing the value of the assets.

Following a question regarding timelines for implementation of the Companies' Governance Framework, the Executive was informed that decisions on the Framework would be delegated to the Monitoring Officer and that it would be implemented on 21 November 2023 at the Shareholder Advisory Group.

Councillor Brown asked whether it would be possible to make the business plans publicly available. The Portfolio Holder undertook to seek legal advice on the matter.

The Executive thanked Officers and Commissioners for their hard work on preparing the complex business cases.

RESOLVED

That (i) the Companies' Governance Framework be adopted in full and applied to the Council itself and to all Council owned or part owned entities, and that any Shareholder directions required to implement the Framework be delegated to the Monitoring Officer; and

(ii) the update on the business cases be noted.

Reason: Adoption of the Framework will bring the companies and the Council's governance arrangements up to a recognised standard, and in doing so protect the interests of all parties.

10. UPDATE ON GENERAL FUND AND HOUSING REVENUE ACCOUNT BUDGETS 2024-25 EXE23-079

Councillor Roberts, Portfolio Holder for Finance, introduced the report which provided an interim update on the General Fund and Housing Revenue Account Budgets 2024-25. The Executive noted that a more detailed report would be received by the Executive at its meeting on 14 December 2023, and an all Member Briefing would be held on 11 December 2023. The Portfolio Holder highlighted that the budget gap had widened to £19.3m in 2024-25 due to increased capital financing costs and ongoing pressures on commercial income. The Executive remained focussed on the savings target and analysing the consultation responses on the savings proposals.

It was noted that work continued on the complex debt reduction plan, building proposals to provide the basis for discussions with Commissioners, DLUHC and HM Treasury, including an asset disposal strategy. Decisions on debt reduction would be taken in the best interests of the public purse, and it was expected that a long-term strategic asset disposal strategy would be preferred with proposals being received by the Executive and Council in due course.

Members also discussed anticipated rent increases and the level of recharges between the General Fund and HRA.

The Leader drew attention to Appendix 1 to the report which highlighted the work taking place in depth by Councillors to review the finances of the Council ahead of budget setting in February 2024.

RESOLVED

That the information in the report be noted and the timetable and process for the budget be agreed.

Reason: To provide information on the current budget position and timetable for further work.

11. GENERAL FUND AND HRA OUTTURN REPORT 2022-23 EXE23-075

The Executive received a report which set out the General Fund and HRA Outturn for 2022-23. It was explained that the provisional outturn formed the basis of the Annual Statement of Accounts.

Following a question regarding Table 3.0 in the report relating to interest charges of some £5.5m in the HRA account, the Executive was advised that the interest charges related to long term historic loans on the HRA. It was further explained that the majority of the capital investment related to the 2012 self-financing settlement, however the HRA had borrowed more recently in respect of the Hale End Court development.

The Leader highlighted the positive news that, following the decision made on the future of Sheerwater by the Council at its last meeting, 106 homes would go back into the HRA in 2024-25.

RESOLVED

the reported outturn position be noted.

Reason: To analyse the outturn position for the General Fund and Housing Revenue Account for financial year 2022/23.

12. CIL - APPLICATION FOR FUNDING - WEST BYFLEET REC TENNIS COURT ENHANCEMENT EXE23-052

The Executive received an application for Community Infrastructure Levy (CIL) which sought to secure £71,500 to install two tennis courts at the West Byfleet Recreation Ground. It was noted that the application was conditional upon funding of £56,000 from the Lawn Tennis Association (LTA). The application met the requirements of a CIL application and had broad community support with all Ward Councillors supportive of the project. It was noted that the LTA would oversee the project. The funds would be available for release from February 2024, subject to receiving £56,000 from the LTA. Should the Executive agree the application, it would become a contractual commitment and the money would not be able to be used for another purpose.

Councillor Brown queried the status of a further CIL application which had been submitted to the Council. The Portfolio Holder, Councillor Lyons, undertook to investigate the status of the application and report back to Councillor Brown.

The Executive welcomed the positive project and was happy to support the application.

RESOLVED

- That (i) the application submitted by Ward Councillors for West Byfleet Neighbourhood Area to install two tennis courts at West Byfleet Recreation Ground be approved; and
- (ii) the Ward Councillors for the West Byfleet Neighbourhood Area be asked to oversee all works relating to the procurement and installation of the tennis courts in accordance with their project plan, project specification, costs and quality control.

Reason: To enable funding to be secured for the installation of two tennis courts at the West Byfleet Recreational Ground, West Byfleet Neighbourhood Area.

13. PERFORMANCE AND FINANCIAL MONITORING INFORMATION

The Executive considered the Performance and Financial Monitoring Information contained in the Performance Management Report – Quarter 2, 2023/24. The Executive was advised that the helpful and informative new report replaced the previous Green Book. The report, covering July to September 2023, summarised the financial picture, provided progress against the IRP and KPIs, and was structured around the three Directorates within the Council.

Attention was drawn to the challenges faced by the Communities Directorate. The Portfolio Holder for Living Well advised that the Wellbeing Team produced a similar report on health needs in the Borough and suggested that the information be incorporated in some way into the Performance Management Report. The Leader agreed to consider how the information could be incorporated going forward.

Regarding the Place Directorate, the Portfolio Holder for Waste and Recycling drew attention to the KPI in relation to recycling. The Portfolio Holder encouraged residents to use the food waste bins provided as the cost of collecting food waste was considerably less than collection of residual waste.

The Executive welcomed the new Performance Management Report which would provide an overview of how each Directorate was performing, supporting greater openness and accountability, as well as aligning performance monitoring with the Improvement and Recovery Plan priorities.

RESOLVED

That the Performance and Financial Monitoring Information contained in the Performance Management Report – Quarter 2, 2023-24, be received.

Reason: To manage the performance of the Council.

14. FINANCIAL MONITORING REPORT - BUDGET MONITORING AND FORECAST 2023-24 - QUARTER 2 EXE23-071

The Executive received a 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 September 2023 (Quarter 2). The Executive was advised that the September (Q2) outturn projected an overspend of £7.5m for the year, compared with a £6.2m projected overspend reported for June (Q1). Service managers would continue to seek opportunities to identify further savings opportunities to mitigate overspends.

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.

15. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded from the meeting during consideration of items 16 and 17 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).

16. COMPANIES GOVERNANCE FRAMEWORK AND BUSINESS CASES FOR VICTORIA SQUARE WOKING LTD AND THAMESWEY DEVELOPMENTS LTD (SHEERWATER) SUPPORTED BORROWING EXE23-080

RESOLVED

That the update on the business cases be noted.

Reason: To receive commercially sensitive information supporting the Part 1 report.

17. CONTRACT UPDATE EXE23-076

RESOLVED

That the contents of the report be noted and any feedback or comments be provided to Officers.

Reason: To update the Executive regarding a confidential contract matter.

<p>This document was published on Friday 17 November 2023 and the decisions within it will be implemented on Monday 27 November 2023, subject to call-in.</p>
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The meeting commenced at 7.00 pm
and ended at 9.17 pm.

Chairman: _____

Date: _____