

MINUTES
OF A MEETING OF THE
OVERVIEW AND SCRUTINY COMMITTEE

held on 11 December 2023

Present:

Cllr J Brown (Chair)
Cllr A Kirby (Vice-Chair)

Cllr H Akberali	Cllr J Morley
Cllr K Davis	Cllr L Rice
Cllr R Leach	Cllr M Sullivan

Also Present: Councillors A-M Barker, W Forster, I Johnson and D Roberts

Absent: Councillors A Caulfield and A Javaid

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Caulfield and Javaid.

2. URGENT BUSINESS

The Chair ruled that two items due to be considered by the Executive on 14 December 2023 were to be taken as urgent business: Update to Improvement and Recovery Plan and Asset Disposal.

The reason for the urgency, the only opportunity for the Committee to consider the items prior to the Executive resolving the items at its meeting.

Update to Improvement and Recovery Plan

Louise Strongitharm, Strategic Director of Communities, introduced the item and explained that the Council had considered greater corporate oversight was necessary. The Council wished to ensure that the Council's housing stock was suitably prioritised and there was a strategic emphasis on it.

Asset Disposal

RESOLVED

That the press and public be excluded from the meeting during consideration of the Asset Disposal item in view of the nature of the proceedings that, if members of the press and public were present during this item, 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).

3. DECLARATIONS OF INTEREST

In accordance with the Members' Code of Conduct, Councillor Rice declared a non-pecuniary interest in Agenda Item 4 – Medium Term Financial Strategy (MTFS) Update – arising from his position as an observer to Woking Community Transport. The interest was such that speaking and voting were permissible.

In accordance with the Members' Code of Conduct, Councillor Johnson declared a non-pecuniary interest in Agenda Item 4 – Medium Term Financial Strategy (MTFS) Update – arising from his wife's position as an employee of Citizens Advice Woking. The interest was such that Councillor Johnson left the Chamber for duration of the discussion on Citizens Advice Woking.

4. MEDIUM TERM FINANCIAL STRATEGY (MTFS) UPDATE OSC23-064

Eugene Walker, Interim Finance Director & Section 151 Officer, introduced the item.

Medium Term Financial Strategy

Officers were benchmarking the Council's expenditures against other Councils with the support of Local Partnerships. Through benchmarking it had been revealed that the Council spent above average on the provision of sport and recreation.

Options analysis and the deliverability of savings were being worked on for the Medium Term Financial Strategy (MTFS). The work was being informed by the Equality Impact Assessments, financial modelling and the likelihood of delivering each saving.

Eugene Walker reiterated that the Council lacked any reserves following the issuing of the Section 114 notice.

The Government had not amended its cap on Council Tax increases and therefore stood at three percent for district councils. The Section 151 Officer noted that other Councils in intervention had seen increases in excess of the cap. Woking Borough Council collected Council Tax on behalf of not just itself but also the County Council and the Police and Crime Commissioner. Officers emphasised that there was no proposal as yet on whether Council Tax would be altered.

The Capital Programme would be reported on at February Council and was intended to focus on core Council spending including the Decent Homes standard which typically formed the biggest single element of a District Council's Capital Homes.

It was the opinion of the Section 151 Officer that so long as all proposed savings were able to be taken by the Council, if the Council could not set a balanced budget in February 2024, it would not automatically require the issuing of a second Section 114 notice.

Eugene Walker explained that the ordinary mechanism employed by Government for Councils that have been issued Section 114 notices was a letter of comfort from the Secretary of State which was linked to a capitalisation directive. However, discussions were ongoing with Government on what mechanism would be sufficient for Woking Borough Council.

Citizens Advice Woking

Lorraine Buchanan, Laurence Oates, and Jakki Mimms, representatives of Citizens Advice Woking (CAW), provided a presentation on the organisation's work in the Borough.

CAW did not charge for their services and informed that Committee that the national body did not permit its franchises to charge.

Citizens Advice had been applying for grants from other organisations but there was concern that the loss of Council funding could not be wholly replaced.

Citizens Advice advised that Council Officers routinely signposted residents to the organisation or engaged directly for its expertise.

In addition to the core funding received from the Council through the Service Level Agreement CAW also received financial support for its work with refugees, paid by the Council from government funding for resettlement programmes.

Lorraine Buchanan noted that the number of people seeking support from CAW had increased steadily over the previous several years.

Citizens Advice noted that the core funding from the Council had reduced by five percent in the previous year and had been due to be reduced by the same again in each of the next two years prior to the Council's proposal to remove funding.

Lorraine Buchanan considered that the organisation ran efficiently and with only the basics required to operate. It spend approximately £500-£1000 per year on each volunteer, of which there were 70. Onboarding of a volunteer cost approximately £3500. CAW employed four staff full time as well as a number of part time staff.

CAW only provided support to those in the Borough. Any person that sought its support who was resident outside of the Borough may be helped initially but referred to their local Bureau for ongoing or further support.

Officers clarified that the Council continued to provide statutory services as it was required to rather than CAW.

It was requested that a paper be provided that explained the costs to the Council should CAW cease operation.

Officers suggested that the Council could support CAW to uncover any efficiencies that it could make in its operations and where it could coordinate support with other organisations. Julie Fisher, the Chief Executive, re-emphasised that the level of support CAW received from the Council could not continue.

Citizens Advice Woking considered that there was no other organisation operating in the Borough that held the breadth of expertise to support residents in the Borough, particularly with complex cases.

Woking Community Transport

Guy Padfield-Wilkins of Woking Community Transport (WCT) provided a presentation on the history and work of the organisation.

There existed a service-level agreement between Woking Borough Council and WCT which required provision of seven vehicles per day, 52 weeks of the year.

WCT had been setup by Woking Borough Council and Surrey County Council. The dial-a-ride and day care passenger services were only available to its 3986 members. The membership had increased by 1618 members over the previous seven years.

The service users of WCT included the elderly, disabled and vulnerable.

Due to the operating model used by WCT it was not permissible to cross-fund any service, each service provided needed to be able to fund itself.

Guy Padfield-Wilkins did not consider it possible for WCT to change its operating model as there were increased costs associated with the alternative.

The proposed removal of funding from Woking Borough Council would also include ending the office and garage leases. Guy Padfield-Wilkins estimated the required replacement funding to be £270,000 per year. WCT paid a peppercorn for the office space, business rates and a commercial rate for the garage.

Julie Fisher emphasised that there was no immediate need for WCT to vacate the premises and Surrey County Council had been engaged to find an alternative location.

Woking Community Transport had invested in electric charging stations for its buses at its offices.

If the support from the Council was removed Guy Padfield-Wilkins calculated that rates would need to increase from an average £4.80 per trip to £24. It was unlikely that taxis could act as replacement as the dial-a-ride service included supporting and transferring users to and from the vehicle and to and from their home or destination.

The Chief Executive noted that the Council was duty-bound to set a balanced budget and therefore had to consider very difficult cuts. Unless a discretionary service, which included the funding to WCT, could be provided as cost neutral the Council was not able to provide it.

In response to a question from the Chair, Guy Padfield-Wilkins expressed concern that the Council had effectively already decided that the support was to be withdrawn.

RESOLVED

That the report be noted.

5. DRAFT HOUSING REVENUE ACCOUNT BUDGET UPDATE 2024-25 OSC23-065

Louise Strongitharm, Strategic Director of Communities, introduced the item.

Officers were forecasting an ongoing deficit of £1 million on the Housing Revenue Account (HRA) with no reserves available.

The September Consumer Price Index had been published. There had been no indication from Government of deviation from the CPI+1% policy for increasing rental prices for local

authorities. If that policy were to be employed, it was estimated that rental income would increase by £1.6 million.

Approximately 70% of Council tenants were in receipt of housing benefits or universal credit to pay for rents. The remaining 30% were self-funding.

Further work was required to be able to set the HRA budget but it was anticipated that it would be at a surplus. Capital investment for the housing stock required calculation.

The Council was to begin consulting on the closure of the Brockhill facility and how residents would be supported.

Councillor Johnson noted that the CPI for the previous year was 8.2% while the Council had increased rent by 7%. Additionally, the Government had stipulated that Councils were to reduce rents for several years previously. Funding was required to be able to effect housing stock repairs and investments.

RESOLVED

That the report be noted.

The meeting commenced at 7.31 pm
and ended at 10.26 pm

Chairman: _____

Date: _____