

COUNCIL – 13 FEBRUARY 2020

**COUNCIL TAX 2020-21 AND RECOMMENDATIONS OF THE EXECUTIVE**

**PROCEDURE NOTE**

The Mayor will adopt the following procedure to deal with the business under Agenda Items 7 (Council Tax 2020/21) and 8 (Recommendations of the Executive).

**AGENDA ITEM 7 – COUNCIL TAX 2020-21**

**AGENDA ITEM 8 – RECOMMENDATIONS OF THE EXECUTIVE**

The Mayor will take the report on Council Tax 2020-21 (Agenda Item 7) first, together with recommendations of the Executive meeting on 6 February 2020 relating to the following:

- a. General Fund, Service Plans, Budgets and Prudential Indicators 2020-21
- b. Housing Revenue Account Budgets 2020-21
- c. Investment Programme 2019-20 to 2023-24
- d. Capital, Investment and Treasury Management Strategies

The items above will be debated after the Leader of the Council's Budget Statement. For convenience, the relevant extracts from the minutes of the Executive are set out in Appendix A. The recommendations reflect the decisions of the Executive. The draft Council Tax resolution is set out in Appendix B.

The remaining recommendations from the meeting of the Executive on 6 February 2020, will be considered once the Council Tax for 2020-21 has been agreed. The recommendations are:

- e. Recommendation from Climate Change Working Group – Climate Emergency – Planning for Carbon Neutrality
- f. Homelessness and Rough Sleeping Strategy
- g. Housing Infrastructure Fund – Funding Allocation of £95Million to Woking Town Centre

The recommendations are set out in Appendix C to this report.

**Procedure Note – Council Tax 2020-21 and Recommendations of the Executive**

**Items 7 (Council Tax 2020-21) and 8 (Recommendations of the Executive)**

The recommendations before the Council are set out below.

**EXECUTIVE – 6 FEBRUARY 2020**

**A. GENERAL FUND, SERVICE PLANS, BUDGETS AND PRUDENTIAL INDICATORS 2020-21**

Councillor Azad, Portfolio Holder for Corporate Financial Planning and Policy, introduced the report outlining the proposed General Fund, Service Plans, Budgets and Prudential Indicators 2020-21. Councillor Azad advised that the provisional local government settlement announced on 20 December 2019 had been consistent with the forecasts in the November draft budget. As in 2019/20, the negative Revenue Support Grant (RSG) had been removed. It was noted that the government review of local government funding had been deferred until 2021/22. The reduction in the New Homes Bonus (NHB) was highlighted.

Councillor Azad reported that the General Fund Budget proposed an increase in Council Tax of 2.08% for 2020-21 which resulted in a Band D Council Tax figure for 2020-21 of £245.46 or an increase of £5.00 per annum at Band D.

The Executive noted the proposal to bring forward the overnight charge for the town centre car parks from 7pm to 6pm from 1 April 2020 in order to encourage visitors to the town for evening theatre and cinema entertainment and to support the wider night time economy in the town centre. The Executive was advised that a one year pilot would be undertaken in order to assess the impact. The potential effect on climate change of the proposal was raised.

The Executive welcomed government legislation which would enable councils to increase the Council Tax premium on domestic properties that had been left empty and substantially unfurnished for two years or more. It was proposed that the Council implemented the increased premiums in line with the legislation.

Following a question regarding HG Wells Conference and Events Centre, the Executive was advised that Officers were continuing to work with the different user groups in order to find alternative facilities.

Discussion ensued on the pension fund and it was noted that the fund was performing well and was almost 100% funded.

Regarding paragraph 10.19 of the report, it was explained that the Council would be taking ownership of the boilers in Woking Park following their replacement upon reaching end of life.

Following a question regarding the Housing Service Plan, Officers confirmed that the New Vision Homes (NVH) Residents Board was still functioning and that the Council was open to new volunteers. It was noted that resident engagement was important particularly around the Council's Housing Strategy and the NVH contract, which was due to expire in 2022.

**RECOMMEND TO COUNCIL**

**That (i) the Revenue Estimates and Human Resource requirements for 2020/21 be approved;**

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- (ii) a Band D Council Tax for the Borough of Woking for 2020/21 of £245.46 be approved;**
- (iii) the charge for overnight car parking in the town centre car parks be amended to apply from 6pm from 1 April 2020;**
- (iv) a long-term empty premium of 200% be added to the Council Tax payable for properties empty and substantially unfurnished for between 5 and 10 years from April 2020, and of 300% to be added to the Council Tax payable for properties empty and substantially unfurnished for over 10 years from April 2021;**
- (v) 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;**
- (vi) the Service Plans for 2020/21 at Appendix 4 to the report be approved; and**
- (vii) the Food Safety Plan and Health and Safety Plan at Appendix 4a and 4b to the report be approved.**

### **B. HOUSING REVENUE ACCOUNT BUDGETS 2020-21**

The Executive received the Housing Revenue Account (HRA) Budgets 2020-21 for recommendation to Council. Councillor Azad reported that the four year rent reduction period would come to an end and that rent increases would return to CPI + 1% with effect from April 2020. It was noted that the rent reduction had resulted in a significant impact on the financial position of the HRA with it receiving some £6m less income over the four years. The effect of the Sheerwater Regeneration on the HRA was highlighted.

#### **RECOMMEND TO COUNCIL**

- That (i) the Housing Revenue Account budget for 2020/21 as set out in Appendix 1 to the report be approved; and**
- (ii) with effect from 6 April 2020, rents be increased by 2.7%.**

### **C. INVESTMENT PROGRAMME 2019-20 TO 2023-24**

The Executive received the Investment Programme 2019-20 to 2023-24 which set out the capital and one off investments required to deliver the Council's key strategies and objectives.

Regarding paragraph 8.28, the Executive was informed that the Investment Programme included allowance for a £705k loan to Freedom Leisure to finance improvements to the changing rooms at Pool in the Park. It was explained that the works had been costed at £925k and that, in order to achieve the desired benefits such as an accessible changing places facility, it was proposed that the Council would use the Asset Management Plan budget to provide the additional investment to complete the upgrade.

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Following a question regarding Lockfield Drive Junction, the Executive was advised that the improvement works were part of the Victoria Square development. It was noted that the new cycle bridge was part of the Woking Sustainable Transport Package.

Regarding the Robin Hood site, the Executive was advised that the site had been acquired for development by Rutland Woking. It was noted that Ward Members would be invited to a briefing in due course.

Discussion ensued on Brookwood Cemetery, an important heritage asset in the Borough. The Executive was informed that a Masterplan was currently being worked upon and a presentation to Members would take place on 26 February 2020. It was commented that substantial improvements had been made since the Council purchased the Cemetery, however further investment would be required to protect the heritage asset.

### **RECOMMEND TO COUNCIL**

- That (i) the Investment Programme 2019/20 to 2023/24 be approved subject to reports on projects where appropriate;**
- (ii) the proposed financing arrangements be approved;**
- (iii) additional loan facility of £500,000 to Thamesway Energy Ltd be approved on the same basis as previous loans; and**
- (iv) capital and revenue grants for Brookwood Cemetery for 2021/22 be approved.**

### **D. CAPITAL, INVESTMENT AND TREASURY MANAGEMENT STRATEGIES**

The Executive received a report which set out the Council's Treasury Management Strategy for 2020-21 and recommended to Council that the Treasury Management Prudential Indicators and Minimum Revenue Provision (MRP) Strategy be adopted. Following a question regarding Table 1 in the Investment Strategy Report, Officers confirmed that the Council had historically held a small number of local residents mortgages. It was noted that the Council had provided mortgages to a small number of Sheerwater residents as part of the Sheerwater Regeneration.

#### **RESOLVED**

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

### **RECOMMEND TO COUNCIL**

- That (i) the Capital and Investment Strategies for 2020/21 be approved; and**
- (ii) 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 Revenue Support Grant Settlement.**

**Procedure Note – Council Tax 2020-21 and Recommendations of the Executive**

**DRAFT COUNCIL TAX RESOLUTION – 2020/21**

1. That the revenue estimates for 2020/21, as submitted, be approved.
2. That it be noted that the Chief Financial Officer, in accordance with the terms of his delegated authority, has calculated the following amount for the year 2020/21 in accordance with regulations made under Section 31B (3) of the Local Government Finance Act 1992 as amended (the Act) as:-
  - a) 41,579.79 being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its Council Tax base for the year;
3. The Council calculates that the Council Tax requirement for the Council's own purposes for 2020/21 is £10,206,334.
4. That the following amounts be now calculated by the Council for the year 2020/21 in accordance with Sections 31 to 36 of the Act:-
  - a) £158,729,706 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act;
  - b) £148,523,372 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act;
  - c) £10,206,334 being the amount by which the aggregate at 4 a) above exceeds the aggregate at 4 b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its council tax requirement for the year;
  - d) £245.46 being the amount at 4 c) above divided by the amount at 2 a) above, calculated by the Council, in accordance with section 31 B of the Act, as the basic amount of its Council Tax for the year;
5. That it be noted for the year 2020/21 Surrey County Council and Surrey Police and Crime Commissioner have issued precepts to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings in the Council's area as shown in the table below.

**Procedure Note – Council Tax 2020-21 and Recommendations of the Executive**

6. That the Council, in accordance with Section 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of council tax for the year 2020/21 for its area and for each of the categories of dwellings :-

<b>Valuation Band</b>	<b>Surrey County Council Basic £</b>	<b>Adult Social Care £</b>	<b>Total Surrey County Council £</b>	<b>Surrey Police and Crime Commissioner £</b>	<b>Woking Borough Council £</b>	<b>Aggregate of Council Tax Requirements £</b>
A	920.00	87.64	1,007.64	180.38	163.64	1,351.66
B	1,073.33	102.25	1,175.58	210.44	190.91	1,576.93
C	1,226.67	116.85	1,343.52	240.51	218.19	1,802.22
D	1,380.00	131.46	1,511.46	270.57	245.46	2,027.49
E	1,686.67	160.67	1,847.34	330.70	300.01	2,478.05
F	1,993.33	189.89	2,183.22	390.82	354.55	2,928.59
G	2,300.00	219.10	2,519.10	450.95	409.10	3,379.15
H	2,760.00	262.92	3,022.92	541.14	490.92	4,054.98

7. That the Council's basic amount of Council Tax for 2020/21 is not excessive in accordance with the principles approved under Section 52 ZB of the Local Government Finance Act 1992 as amended.

**Agenda Item 8 (Recommendations of the Executive)**

The remaining recommendations before the Council are set out below.

**EXECUTIVE – 6 FEBRUARY 2020**

**E. RECOMMENDATION FROM CLIMATE CHANGE WORKING GROUP – CLIMATE EMERGENCY – PLANNING FOR CARBON NEUTRALITY**

Following the Council's declaration of a 'climate emergency' at its meeting on 25 July 2019, Councillor Davis, Portfolio Holder for Climate Change, introduced a report which set out recommendations from the Climate Change Working Group to accelerate the existing Woking 2050 Strategy and work towards achieving carbon neutrality across the Council's estate and operations by 2030. Councillor Davis spoke in support of the draft Carbon Reduction Action Plan which focussed on mitigation measures to help reduce the Council's carbon footprint. The collaborative work with Thamesway, such as improving energy efficiency in Council homes, was highlighted. The need to encourage the use of electric vehicles and provide the necessary infrastructure was raised. Suggestions for possible communal electric vehicle charging areas were noted, such as Goldsworth Lodge.

Councillor Davis commented that the most challenging aspect of carbon reduction was behavioural change of individuals. Following Councillor Davis's Motion at Council on 5 December 2019 regarding the delivery of a programme of engagement with Woking residents and businesses, it was noted that WeAreWoking would be carrying out a major piece of work to publicise what the Council was doing and what the public could do to address climate change.

**RECOMMENDED to Council**

- That (i) officers be authorised to implement initial actions for 2019/20 and 2020/21 as recommended in the report; and
- (ii) delegated authority be given to the Assistant Director (Place) in consultation with the Portfolio Holder and Shadow Portfolio Holder for Environment and Sustainability to agree new actions as they are identified.

**F. HOMELESSNESS AND ROUGH SLEEPING STRATEGY**

Councillor Harlow, Portfolio Holder for Housing, introduced the report which recommended to Council the adoption of the Homelessness and Rough Sleeping Strategy 2020-2024. It was noted that the draft Strategy had been discussed and supported by the Housing Task Group.

**RECOMMENDED to Council**

- That (i) the Homelessness and Rough Sleeping Strategy 2020-2024 be approved; and
- (ii) the Director of Housing, in consultation with the Portfolio Holder for Housing, be delegated authority to make minor amendments to the Strategy and to update the action plan as required.

**G. HOUSING INFRASTRUCTURE FUND – FUNDING ALLOCATION OF £95MILLION TO WOKING TOWN CENTRE**

Following the successful Housing Infrastructure Fund bid made by Surrey County Council in conjunction with Woking Borough Council, the Executive received a report which recommended to Council that the £95m grant awarded to the Borough Council by Homes England be accepted. Discussion ensued on the consultation responses and it was noted that the responses had been taken into account and detailed design was underway. Following concern raised regarding potential congestion points, the Executive was advised that extensive modelling had been undertaken.

The Executive welcomed the Government's commitment, through Homes England, to invest in Woking Town Centre and deliver major infrastructure. It was noted that the grant would fund the replacement of Victoria Arch and critical highway improvements which would support Woking to meet its housing needs, support growth and sustain economic and community vitality.

**RECOMMENDED to Council**

- That (i) the £95m grant awarded to the Council by Homes England be accepted, and that delegated authority be given to the Chief Executive to agree the terms of the contract in consultation with the Leader and Portfolio Holder, and to undertake necessary prerequisite work to develop the project;
- (ii) the Council accepts that it will be responsible for any project cost overruns;
- (iii) any underspend of the grant award, and/or any surplus funds from the sale of the Triangle site, will be made available to fund project cost overruns, with any balance to be reinvested into local infrastructure that supports housing delivery;
- (iv) the Council authorises advance funding of £10m, in the form of a 15 year annuity loan from the PWLB for the scheme, to be recovered from a proportion of Community Infrastructure Levy and from site specific S.106 tariffs, over the next 15 years;
- (v) the Council commits to use reasonable endeavours, including use of Compulsory Purchase Order powers, to acquire the Triangle site, land required for the replacement of Victoria Arch, land required for widening of the A320, and land required for development sites as outlined in the bid, if not brought forward by current owners;
- (vi) the Council commits to the delivery of homes, as outlined in the bid, on the sites owned by it or its subsidiary Thamesway;
- (vii) the Council approves the Recovery Strategy set out at Appendix 7 to the report; and
- (viii) the Deputy Chief Executive be authorised to undertake a review of Community Infrastructure Levy and to establish a Section 106 Tariff for town centre infrastructure associated with the HIF project.