

MINUTES
OF A MEETING OF THE
OVERVIEW AND SCRUTINY COMMITTEE

held on 22 November 2021

Present: Cllr J R Sanderson (Chairman)
Cllr S Hussain (Vice-Chair)

Cllr J Brown	Cllr R N Leach
Cllr S Dorsett	Cllr E Nicholson
Cllr A Kirby	Cllr M I Raja
Cllr R N Leach	

Also Present: Councillors A Azad, S Ashall, I Johnson, A Barker and C Kemp.

Absent: Councillor R Mohammed.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor R Mohammed.

2. MINUTES

RESOLVED

That the minutes of the meeting of the Committee held on Monday, 18 October 2021 be approved and signed as a true and correct record.

3. MATTERS ARISING FROM THE PREVIOUS MINUTES OSC21-036

The Chairman highlighted key items within the report on matters raised at previous meetings. The meeting of the Committee in September 2021 had considered the Council's Communications Plan and the Chairman invited the Scrutiny and Democratic Services Officer, Aadam Ahmed, to give an update. The Committee was advised that research was currently being undertaken with the intention of a Plan being in place towards the start of the next calendar year.

The Chairman drew attention to item 4.1, data in the Performance and Financial Monitoring Information and noted that this would be addressed at the Committee's meeting in January 2022.

The Chairman referred to the matters raised at the October meeting and Councillor Nicholson confirmed that the points raised in respect of the question of the safety and security of elected members had been addressed, with comprehensive information subsequently received.

4. URGENT BUSINESS

There was no urgent business to discuss.

5. DECLARATIONS OF INTEREST

In accordance with the Members' Code of Conduct, Councillor Barker declared a non-pecuniary interest in item 12 – Financial Review Monthly Update owing to a family member being employed by EY. The interest was such that speaking and voting were permissible.

6. WORK PROGRAMME OSC21-037

The Committee received a report on the Work Programme for the coming year. The Chairman noted that the Play Areas Provision item was still to be allocated to a Committee meeting, awaiting confirmation of the 2022/23 Calendar of Meetings by Council.

The Chairman briefly went through items coming to the Committee in the January and February meetings, and drew attention to the Executive Forward Plan, highlighting those items recently added.

RESOLVED

That the Work Programme be noted.

7. CELEBRATE WOKING REVIEW AND FORWARD PLAN OSC21-038

Riette Thomas, Project Manager for Celebrate Woking, gave a presentation on the Celebrate Woking Programme which had begun in 2012 with the Olympics and Diamond Jubilee events. The Covid-19 pandemic had presented an opportunity for the Council to reflect on what had been delivered successfully and how things could be restarted.

An engagement exercise had been held to help develop the 2022 programme of events. The programme would be aimed at strengthening community spirit, promoting a positive image of Woking, increasing participation from within the community, maximising opportunities for economic development and creating a legacy. Riette highlighted the relevance of the previous slogan which was 'Be Proud, Be Part Of It'. The Council would work with a wide range of local organisations to deliver the programme, including schools, uniformed services, churches, women's groups, residents and other community groups.

Riette closed the presentation by noting that there was a tight deadline to deliver the programme and that what was being proposed was viable and less resource intensive than delivering a single event such as Party in the Park or the Food Festival.

Councillor Brown asked whether there were any plans to market the 2022 Football World Cup which would take place at the end of 2022. Riette advised that the big screen had only been hired for the Summer period but that other proposals could be considered, including possible work with pubs across the Borough.

Council Kirby asked whether it would be possible to consider creating a time capsule for the town as part of the celebration. Riette commented that there was a time capsule in the

Lightbox from 2012 which would be opened in 2060 though added that something similar could be considered for the year around the theme of the Queen's Platinum Jubilee.

Councillor Hussain asked whether there was anything planned around the villages in Woking. Riette stated that the Business Liaison team would work closely with businesses in the villages, hoping to replicate what would be happening in the Town Centre. Officers would also encourage the participation in the programme of any businesses with a royal connection.

Councillor Dorsett asked whether local choirs, dance schools, operatic and dramatic societies had been approached to be involved in the programme, and suggested the possibility of livestreaming events in the town centre. It was further suggested that the Summer Zone would benefit from an enhanced food and drinks offer.

The Committee advised that the programme allowed for an element of flexibility to enable additional proposals to be considered. Local organisations involved in the performing arts had been invited to participate in the programme, and follow up approaches would be made. Caution was expressed that significantly expanding the scope of the programme would place pressure on the Council, and that local organisations could be encouraged to stage their own events. The suggestions around livestreaming events and the Summer Zone would be explored by Officers.

In response to a specific question around the local Italian Community, the Committee was advised that efforts had been made to contact all local community groups to encourage their participation.

Councillor Nicholson suggested the possibility of staging a competition for a 'Platinum Queen' and a 'Platinum King', and asked if younger age groups and frontline services would be involved in the programme.

The suggestion of a competition would be explored in consultation with Woking Shopping. In respect of younger children, Officers could write to local nurseries to explain how they could get involved and build their own legacy. On the point of frontline services, Riette stated that the lighting of the beacon and Service of Thanksgiving were specifically for them. The programme could be used as an opportunity to invite frontline service workers to attend the opening celebrations.

The Chairman asked how local residents would be able to access information on the programme and how they could become involved. Riette stated that it was intended to establish a webpage by the end of the year with information on the programme, including a Celebrate Woking calendar to which churches and community groups would be able to contribute.

Councillor Kemp referred to the Food Festival and noted that, whilst it was a great event, not many local businesses engaged despite efforts by Officers. Officers would continue to encourage the participation of local businesses in events such as those within the Celebrate Woking programme.

The work of the Officers was acknowledged and the Committee thanked Riette for the detailed presentation.

RESOLVED

That the Celebrate Woking Review and Forward Plan be noted.

8. FREEDOM LEISURE PERFORMANCE REVIEW OSC21-040

The Portfolio Holder for Leisure Services, Councillor Kemp, introduced a report which reviewed the performance of Freedom Leisure. The services provided had been significantly affected by the Covid Pandemic, with facilities having been open for only 20% of the normal operating times. As a result, it had been necessary for Woking Borough Council to subsidise the service and forego the normal management fee. The contract had been operated on an open book basis, in accordance with the guidance issued by Sport England.

The Eastwood Leisure Centre had been opened by Freedom Leisure and more than 700 members were now registered, with numbers continuing to increase. It is anticipated that the Council will stop supporting the contract financially in the new year and it is estimated that the Eastwood Leisure Centre will break even in 2-3 years.

In response to a question prior to the meeting on proposed improvements to the phone service Councillor Kemp said that Freedom are working to develop a mobile phone application to improve the process.

Freedom Leisure continued to receive support payments, paid one month in arrears based on actual operating costs, and the Committee was informed that the contract had always been run with a marginal profit margin. Due to low attendance, the contract was not currently viable; given the trends in the sector it was expected that the contract would return to a break-even point early in 2022.

A question was raised on the failures reported in respect of front of house services and Councillor Kemp advised that the reference related to the pool system. Areas of the system had not been refurbished and would continue to be monitored, and repaired if necessary.

The Committee noted that healthy food options had been trialled by Freedom Leisure and, whilst healthier options would be introduced, they were not proving to be as popular. The Café areas provided a positive financial return which would be important to maintain and the impact of changes in the food offer would be monitored. Membership options were discussed and Councillor Kemp reported that memberships were set out in the fees and charges. Individuals could either sign up to a 'Whole Woking' membership or an individual centre membership.

Councillor Nicholson asked after the health and safety arrangements around the use of inflatables and Councillor Kemp advised that priority was given to the safe use of inflatables, with the arrangements constantly monitored.

RESOLVED

That the Freedom Leisure Performance Review be noted.

9. EXECUTIVE / OVERVIEW AND SCRUTINY COMMITTEE PROTOCOL OSC21-043

The Chairman introduced the proposals for a protocol between the Committee and the Executive, outlining how the protocol would help support the Committee's engagement with the Executive. The report outlined the background research and actions which supported the development of the protocol.

Councillor Azad, Leader of the Council, offered her support for the protocol and reiterated the Executive's support of the Overview and Scrutiny Committee's functions, stating that she was looking forward to working with the Committee.

Councillor Dorsett stated that it would be beneficial to have clarification on the Call-in process, specifically regarding matters for determination and matters for recommendation. Councillor Dorsett also raised a concern that parts of the protocol could be open to misuse, particularly regarding referrals to the Executive. Officers would provide clarification on the Call-in process outside of the meeting and the Committee was advised that, in respect of referrals to the Executive, the protocol reinforced the provisions within the Constitution.

Councillor Barker raised two typographical errors which would be addressed in the final version of the protocol.

RESOLVED

That the Executive/Overview and Scrutiny Protocol be agreed.

10. THE SCRUTINY TOOLKIT OSC21-044

The Chairman introduced the report on the Council's Scrutiny Toolkit and drew the Committee's attention to the changes recently made, including reference to Officer Support details and the Budget Management Protocol.

RESOLVED

That the updated Scrutiny Toolkit be adopted.

11. TREASURY MANAGEMENT MID-YEAR REVIEW 2020/21 OSC21-039

Leigh Clarke, Finance Director, introduced a report on the Treasury Management mid-year review. The refinancing of short-term debt was raised and the Committee was advised that the Council was now through the period of uncertainty and that, as the rates fell, the Council would take out elements of long-term borrowing. The Council had an ongoing need for borrowing and that Officers were currently assessing whether to continue with long-term borrowing or to undertake some short-term borrowing, recognising the need for balance in treasury management activity.

Councillor Kirby asked for clarification on the long term investments in joint ventures/ group companies/ external organisations (£1,103,781). The Committee was advised that the figure included loans to group companies such as Thameswey or Joint Ventures such as Victoria Square, and that the monthly Performance and Financial Monitoring Information set out details of the individual loans. Any borrowing other than that arranged for group companies and joint ventures was used towards the Council's operational assets or investments in housing stock.

Councillor Kirby asked whether the Council had an equity in the long-term investments in the group companies and was advised that there was share equity in the group companies.

The Chairman referred to the Treasury Management Prudential Indicators and the borrowing limits and was advised that the limits were approved annually by Council, predominantly determined by the Investment Programme. In the event any limits were

exceeded, a report would have to be taken to Council. The approved limits enabled Officers to arrange borrowing in advance of the proposed timescales on projects at a time when the rates were favourable. The difference between the operational boundary and the authorised limit was effectively a buffer.

The Chairman asked how the projections on rates influenced the decisions and processes to take out long-term and short-term loans. Leigh stated that in 2020/2021 the Government had added a 1% margin on borrowing rates. There had been a sector-wide expectation that the increase would be removed and the Council had taken a significant amount of short-term borrowing until such time. For the current year, the Council's borrowing strategy had been focussed on mitigating interest rate risk securing rates when they were favourable.

Councillor Raja asked whether there was a ceiling limit for the short-term borrowing and whether the level of short-term borrowing could be raised higher and the long-term borrowing level lowered to benefit the Council. Leigh stated that the Council had taken advantage of this in the previous year but highlighted the risk of short-term borrowing in terms of missing out on favourable long-term rates.

Councillor Kirby asked for details of the management of long-term borrowing, including whether it solely consisted of 50 year annuity loans and how the Council avoided areas of uncertainty. Leigh advised that Council's approach was to use 50 year annuity loans to provide stability, the period matching the nature of the investments.

RESOLVED

That the Treasury Management Mid-year Review be noted.

12. FINANCIAL REVIEW MONTHLY UPDATE OSC21-041

The Chairman introduced the report on the financial review monthly update. The report provided the context of the review and the Committee noted that the work had commenced, with regular meetings being held with EY. Whilst the work was moving forward quickly, it was too early yet to draw conclusions.

The Chairman advised that he had met with the Lead Partner from EY to discuss the rationale for the Motion, bringing attention to the key elements within the Motion.

The timetable for the review was discussed, with concern expressed that enough time had been allocated before initial findings were to be reported. The Committee was advised that the review was on track in accordance with the timetable and that the Team from EY had established regular meetings to explore areas of interest.

RESOLVED

That the Financial Review Monthly Update be noted.

13. HOUSING INFRASTRUCTURE FUND SCRUTINY REVIEW OSC21-042

The report before the Committee set out the findings of a review undertaken by Internal Audit of the arrangements established by the Council in respect of the Housing Infrastructure Fund (HIF) project. The review had been requested by the Committee in September 2021 and the request to employ Internal Audit's resources had been supported by the Standards and Audit Committee.

The findings of the review were introduced by Giorgio Framalico, Director of Planning, who advised that the Management Response to the audit report had been the acceptance of the recommendations and the dates for their implementation. It was noted that the review had identified several risks which had not been included in the risk register for the project.

The Chairman noted that housing targets of the project, an area that was not covered by the existing HIF Oversight Panel, could be kept under review through the Committee, recognising that there were potential risks around the housing element, such as site acquisition and funding plans.

Councillor Johnson, Chairman of the HIF Oversight Panel, advised that the Panel's remit was primarily focussed on the infrastructure element of the project, and noted that the Auditor's report had touched on areas that the Panel had not considered, such as cost to date. Councillor Johnson noted the controversial nature of the project but stressed that there were overarching objectives which were to acquire a new railway arch, improve connectivity in and out of the town centre and provide additional homes. There was a need for high level oversight to ensure the objectives were achieved within the timescale and financial parameters, and that adequate governance arrangements were in place.

Councillor Kirby considered that the Council needed to be clear on how best to run the complicated process of working with external bodies, stating that there were constructive lessons which could be learnt, including around applications for external funding.

Councillor Azad, Leader of the Council, advised that one of difficulties in seeking external funding arose from the fact that the Council did not have control over the application timescale, with the Government normally limiting support to projects which are ready to go. Unless the parameters set by the Government were changed, it was difficult to put in place protocols that could work within any given timescales. It was suggested that elements of the HIF project could be raised through the engagement programme taking place with residents. Councillor Azad re-emphasised the point made earlier regarding the complexity of working on a project such as HIF with many external partners.

Councillor Nicholson asked whether the recommendations outlined in the report would be incorporated retrospectively into the Housing Infrastructure Fund project and into any future projects undertaken by the Council. Giorgio explained that the findings of the Audit review would be referred to the Oversight Panel, noting that many of the recommendations would be actioned through the Oversight Panel.

Councillor Kirby welcomed the long-term thinking in the bidding process and reiterated his support for the oversight of the housing element of the project. Councillor Kirby further suggested that the Council's approach to bidding for funding could be reviewed.

In view of the support for suggestion that the housing element of the HIF scheme should be kept under review, the Chairman proposed the establishment of a task group with the specific objective of keeping oversight of the housing element of the scheme. The suggestion of Councillor Kirby to review the bidding process could be explored further before being taken forward.

The relationship between the infrastructure development and the housing element of the HIF scheme were noted, with the Committee being advised that, without the bridge and capacity improvements, the existing infrastructure would be unable to cope with the additional housing. It was further noted that, regardless of the Covid-19 pandemic, it was unlikely that the need has changed, noting that traffic and usage of the town centre has returned to near pre-pandemic levels.

RESOLVED

That (i) the Housing Infrastructure Fund Scrutiny Review be noted; and

(ii) a HIF (Housing) Task Group be established to have oversight of the housing element of the Housing Infrastructure Fund project.

14. PERFORMANCE AND FINANCIAL MONITORING INFORMATION

The Committee considered the most recent edition of the Performance and Financial Monitoring Information. The Chairman noted that it was too early to see an improvement on the non-decent homes rate.

The Chairman raised a question on page 15 regarding the decrease of the recycling between July and August. Geoff McManus, Director of Neighbourhood Services, advised that, in terms of recycling levels, the Council had been experiencing an increase in overall waste tonnage and reduced levels of recycling. The income the Council received for mixed recycling had fortunately increased, helping to offset other costs. The recycling rate would continue to be affected by the Green Waste collections.

The Chairman noted that the satisfaction rate on Street Cleaning and Landscaping had fallen between April and July and that the level of short term borrowing has decreased.

RESOLVED

That the Performance and Financial Monitoring Information (September 2021) be noted.

15. FINANCE TASK GROUP UPDATE OSC21-045

The Chairman introduced the update report on the work of the Finance Task Group and highlighted that the proposed extension of the loan to Greenfield School had been considered by the Executive at its meeting on 18 November 2021.

RESOLVED

The Finance Task Group Update be noted.

16. HOUSING TASK GROUP UPDATE OSC21-046

Councillor Barker introduced the update report of the Housing Task Group, which provided an insight into the work of the Task Group. The attention of the Committee was drawn to the work being undertaken to bring empty homes back into use. Councillor Barker further

drew attention to the progress being made on the Housing Services being brought back in-house, noting that it was currently in the tendering process.

Councillor Barker stated that the Members of the Task Group would be considering the housing in the Victoria Square Development at their next meeting. Native, the company responsible for letting out the accommodation, would be attending to provide a progress update.

Councillor Dorsett welcomed the positive report on the delivery of affordable housing and asked whether future reports could include details of what affordable housing was being provided and where. Councillor Barker undertook to explore the possibility, though noted that some of the figures were yet to be confirmed.

Councillor Kirby suggested that it would be useful to publish the reconciliation of how many new affordable homes are coming in and what tenures are available to help residents understand the progress of the work.

RESOLVED

That the Housing Task Group Update be noted.

17. ECONOMIC DEVELOPMENT TASK GROUP UPDATE OSC21-047.

The Chairman introduced the update report on the work of the Economic Development Task Group, highlighting the key points. Councillor Dorsett suggested further information could be included in future reports, a suggestion welcomed by the Chairman.

RESOLVED

That the Economic Development Task Group Update be noted.

The meeting commenced at 7.00 pm
and ended at 9.34 pm

Chairman: _____

Date: _____