

FINANCE WORKING GROUP UPDATE

Executive Summary

Since the last update received by the Overview and Scrutiny Committee at its November 2023 meeting, four meetings of the Finance Working Group have been held.

Meeting held on 14 November 2023

Fees and Charges

The Group received the Fees and Charges report which was to be considered at the Executive on 16 November, which report collated the proposed changes from service managers and resulted in proposals which should increase the income whilst reducing the level of Council subsidies which support discretionary services. The Group noted that some charges had been increased by a rate higher than inflation (for example the Community Meals Service and Green Waste Collection) and that it would be helpful for Members to have as much information as possible when setting the annual fees. It was also considered helpful to compare the fees with those of nearby authorities to ensure that they remained fair for individuals and businesses. The Group felt that the report should be received by the Overview and Scrutiny Committee at its next meeting.

The Group discussed the principles that should be used to guide fee setting in future years linked to the Council's new commercial strategy and better financial information on costs. Officers undertook to bring a report back in the New Year with a draft framework for this.

Treasury Management Annual Report

Next on the agenda was the Treasury Management report which was to be received by the Overview and Scrutiny Committee on 20 November 2023. The report provided an overview for the first six months of the year to September 2023 against the Treasury Management Strategy and Prudential Indicators for 2023/24 to ensure compliance. The Group noted the arrangements for loan repayments from subsidiaries and external organisations and the effect of currently higher interest rates on any debt rescheduling.

Other items

The Group also received a breakdown on the proposed saving for Community Grants and the Council's Debt Reduction Plan.

Meeting held on 28 November 2023

Community Grants

The Working Group received a breakdown of the proposed saving for Community Grants which included funding distributed by the Community Foundation for Surrey and Service Level Agreements (SLA) set up by the Council. The consultation with the charitable and voluntary organisations had been carried out resulting in a total of eleven responses. It was noted that Citizens Advice Bureau, Woking Community Transport and York Road Project were being invited to a future meeting of the Overview and Scrutiny Committee as the three largest holders of SLAs.

Community Centres

Next on the agenda was an update on the proposed saving for the Council's Community Centres. Work was taking place to show the effect on each Centre separately and a consultation had taken place. It was anticipated that the Council would be able to keep open each of the Centres in some way and with changes to service provision approach a break-even point. A potential Community Asset Transfer was being considered to outsource their operations to work towards a cost neutral position.

Update on Pool in the Park

Next on the agenda was an update on Pool in the Park, whereby it had been considered appropriate to expand Option 2 (increased fees and charges) to take account of the new Fees and Charges, with further work to be carried out to fully understand the implications of the recent Condition Survey undertaken by Building Services. A huge amount of work had been carried out to understand the Council's liabilities over the next 5-10 years, particularly a recent Condition Survey carried out by Building Services and loan payments due to expire in five years' time. The work of the Pool in the Park Action Group was also noted and the importance of the need to support vulnerable people in the Borough.

Other items

At the meeting, it was noted that the Overview and Scrutiny Committee review the process for the setting of Fees and Charges over the coming year and acknowledged that work would take place in due course on the principles which would be set going forward.

Meeting held on 14 December 2023

Public Conveniences

The Working Group received an update on Public Conveniences which proposed the closure of all facilities except those at Victoria Place shopping (incorporating Wolsey and Peacocks), thereby affecting those in the out of town areas. The Equalities Impact Assessment took into account access for disabled and elderly people and set out possible mitigations / alterations. Consultation was also taking place with local businesses over whether their facilities could become available for public use. It was noted important to take into account the level of services provided by neighbouring authorities.

Pool in the Park Options Appraisal

Next on the agenda was an update on the Pool in the Park Options Appraisal with Option 2 expanded to include increases in fees and charges and reduce concessionary charging following positive consultation with users including community and disability groups. The revised option took the Pool close to a forecast cost neutral option, taking into account forecast usage levels and the building condition desktop survey undertaken by Building Services. Work was also taking place with Freedom Leisure to consider how the operating model could be varied for the leisure portfolio to reduce the Council's subsidy. It was noted that attendance at the Pool had been strong over the past few months.

Community Centres

The next item on the agenda was the draft business case for St. Mary's Centre for the Community which sought to find a cost neutral way of delivering the facility, impacting on daycare services in particular, whilst providing a community benefit for Byfleet residents. Further business cases for other Centres were being developed. It was noted that a couple of community groups had expressed an interest in considering a Community Asset Transfer, although the process would take some time and so a cost neutral position would need to be worked towards.

Other Items

The Working Group received a report on benchmarking services against other organisations for future planning purposes. The work taking place with the support of the LGA and Local Partnerships had shown that in the majority of areas reviewed, the Council had historically spent more than its neighbours. The next step would be to assess the statutory expectations for services and assess opportunities for service changes.

The Group was advised that the savings proposed from Health and Wellbeing would largely be comprised of the transfer of the social prescribing team under TUPE to Spelthorne Borough Council and the increase of fees and charges for users of the Community Meals service.

The issue of a dialogue with DLUHC regarding next year's Council Tax increase was raised and it was noted that the increases to the Surrey County Council and Police and Crime Commissioner components were not yet known.

Meeting held on 15 January 2024

Lightbox

The Group considered the Options Appraisal for the Lightbox which considered the Council's approach to funding for next year in light of the need to assess whether a new operating model could be implemented which maintained the benefit of the venue to the community whilst not requiring an annual subsidy from the Council.

Grounds Maintenance and Street Cleaning Contract

A paper was received on changes to the grounds maintenance and street cleaning contract, and the process for re-tendering at the end of the current contract from 1 April 2025, which would be subject to agreement by Council in February. The changes to the existing contract would involve moving closer to the statutory minimum and enabling the service to become more reactive rather than output focused, including sports pitches.

UK Shared Prosperity Fund

The report on the UK Shared Prosperity Fund report due to be received by the Executive on 18 January was received, a Government scheme which aimed to help local places build pride in place and increase life chances. The Council had received circa £1m and submitted an investment plan to DLUHC which had been approved in October 2022. A total of £601,000 remained unallocated, following the spend towards Green Infrastructure and the Surrey Decarbonisation Programme, and the Digital Centre of Excellence project not proceeding, and the Council was required to consider how it could be utilised in 2024/25. Six priority projects had been identified, with an additional three projects in reserve. Once agreed by the Executive, a change request would be submitted to DLUHC and further detail would be worked up on each of the projects.

Revenues, Benefits and Customer Services Savings Briefing

A paper on Revenues, Benefits and Customer Services Savings Briefing was received which noted the savings identified and stated that, longer term, a Channel Shift programme would take a medium term, invest to save approach to deliver savings and service improvements, whilst enhancing core technology, data and people capability. Early work had taken place on encouraging council tax payers to use an online form and redesigning the council tax recovery process. A detailed savings breakdown was set out in the report and a significant saving would be made from ceasing temporary staff contracts. A report on the Channel Shift Programme was due to be received by the Executive in February. It was felt that the overall revised model could lead to a better service to the community, and noted that it was important to keep a pulse on the level of pressure staff were under.

Debt Reduction Plan

The Working Group received a confidential update on the Council's Debt Reduction Plan.

Recommendations

The Committee is requested to:

RESOLVE That the report be noted.

The Committee has the authority to determine the recommendation(s) set out above.

Background Papers:	None.
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