

SUPPLEMENTARY REPORT
RECOMMENDATIONS OF THE EXECUTIVE

Executive Summary

The Council is invited to consider the recommendations from the meetings of the Executive held on 18 January 2024 and 1 February 2024. This Supplementary Report now sets out the extracts from the minutes of the meeting of the Executive held on 1 February 2024. For ease, the extract from the minutes of the meeting held on 18 January 2024 has been reproduced below, ensuring that this report has all the recommendations of the Executive to be determined by Council.

The attached General Fund Budget 2024-25 and Proposed Savings report has two amendments from the version reported to Executive on 1 February 2024 and previously published with the 8 February 2024 Council agenda papers. The amendments are:

- Table 2 under paragraph 8.29 - the totals on the table were correct but a previously missing figure “Other” changes of £0.7m inserted to make one of the sub-totals add.
- Paragraph 9.1 explains that the information intended to be in Appendix 4 will now be included in the Budget report to Full Council on 4 March 2024.

THE EXECUTIVE – 18 JANUARY 2024

A. Community Asset Transfer Policy

The Executive received a report which recommended to Council the adoption of the Community Asset Transfer (CAT) Policy. The Executive was advised that the Council was looking to local community organisations to run facilities such as community centres and sports pavilions, to enable the Council to create savings whilst retaining those assets for social benefit. The Leader highlighted that as community centres and sports pavilions were not considered statutory services by the Government, the Council would need to consider alternative ways to offer those facilities. It was noted that the CAT Policy had been drafted with support from Local Partnerships and the Local Government Association (LGA). The report also proposed a resource to allow the Council to work closely with local groups and help them through the CAT process, to be funded under proposals contained in the UK Shared Prosperity Fund (UKSPF) item later on the agenda.

During the autumn public consultation on proposed service reduction, a number of community groups had expressed interest in the running of sports pavilions and community centres and discussions with those groups were ongoing. Examples of facilities being successfully run by the community in the Borough were highlighted, such as Old Woking Community Centre.

It was noted that a CAT Board would be established, consisting of appropriate Officers, which would identify assets for CAT and make decisions on expression of interest and business cases. Final decisions would be signed off by an Executive Member on an evidence basis.

The Executive welcomed the proposed Policy which would sustain valuable community assets, empower community enterprises and provide social and economic benefits for local areas. Due to the Council’s financial situation, it was hoped to start CATs within the next year. The

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Executive thanked the Portfolio Holder, Councillor Nicholson and Officers for their hard work on drafting the CAT Policy.

RECOMMENDED to Council

That the Community Asset Transfer (CAT) Policy, as attached at Appendix 1 to the report, be adopted.

Reason: The Council has a number of assets that have the potential to be run by community organisations (referred to as community enterprises). This would enable the Council to create savings whilst the asset is retained for social benefit. Community Asset Transfers (CATs) also have the opportunity of supporting the Borough's voluntary and community sector in their development and economic growth.

THE EXECUTIVE – 1 FEBRUARY 2024

B. General Fund Budget 2024-25 and Proposed Savings

The Leader of the Council, Councillor Ann-Marie Barker, provided a short update regarding the Council's budget savings. In order to achieve a balanced budget, the Council faced the difficult decision to remove all grant funding for charities and voluntary bodies. The Leader advised that the Council was working with Citizens Advice Woking and Woking Community Transport, two charities which provided an invaluable service in the Borough and had been the most significant recipients of funds in the past, to try and find a way ahead in which they could continue to deliver a reduced service for local people. The Leader urged both groups to collaborate with the Council rather than campaign against the Council, stressing that there was no money in Council budgets for grants. The Council would continue to provide office accommodation where it could and seek to find funds that could be used to deliver new business models that enabled a revised service from these charities. The Council would be speaking to both Citizens Advice Woking and Woking Community Transport again next week and the Leader hoped a way ahead could be found.

Councillor Roberts, Portfolio Holder for Finance, introduced the report which recommended to Council service savings of £8.4m and provided updates on the processes for Equality Impact Assessments (EIAs) and public consultation which had been part of the decision-making process. It was noted that the Overview and Scrutiny Committee had considered the report at its meeting on 29 January 2024. The Portfolio Holder explained that an Extraordinary meeting of Council on 4 March 2024 would receive a report finalising the treatment of the Council's debt in 2024-25 and the level of Council Tax.

The Executive discussed the regrettable but necessary proposed savings for 2024-25 which included a staff reduction programme of up to 20% across most Council services resulting in the loss of some 60 employees, the removal of community grant funding, the closure of public toilets, transferring sports pavilions and community centres to community ownership, reductions to street cleaning and grounds maintenance services, and increasing fees and charges for non-statutory services. The savings had been subject to public and staff consultation, benchmarking with statistically similar councils, and had been reviewed by the Overview and Scrutiny Committee, Finance

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Working Group and at Member Briefings. The Portfolio Holder thanked all Members for their input. The Executive was informed that, despite these savings, the Council still faced a deficit on its business-as-usual services of £12.4m and required Government support to set a legally balanced budget. Without Government support, the Council's budget deficit next year could be up to £785m given the scale of its debt problem. The Extraordinary Council on 4 March 2024 would receive a report on the Government's support mechanisms; a Capitalisation Directive and Minimum Revenue Provision (MRP) exceptional support.

The Executive welcomed the work undertaken by the Portfolio Holder for Leisure, Officers and residents to find a viable option to keep the Pool in the Park open in 2024-25 by increasing fees and charges. The Community Asset Transfer Policy discussed at the last Executive was highlighted as an alternative way to run facilities such as sports pavilions and community centres. It was noted that the Council had recently facilitated local charities to meet The National Lottery to discuss options for funding.

The Executive thanked Officers for their hard work on the 2024-25 budget and agreed to recommend the proposals to Council on 8 February 2024, noting that a further report on the treatment of debt and level of Council Tax would be received at an Extraordinary Council meeting on 4 March 2024.

Recommendations

The Executive is requested to:

RECOMMEND TO COUNCIL That

- (i) the £8.4m of savings set out in Appendix 3b to the report be agreed;**
- (ii) the Equality Impact Assessment and public consultation processes on the savings proposals that are summarised in Appendix 5 to the report, with detailed reports on each resident facing saving proposal, be noted as part of the decision-making process; and**
- (iii) it be noted a further report to Full Council on 4 March 2024 will receive a final report from the Director of Finance to finalise the treatment of the Council's debt and Council Tax in 2024/25.**

Reasons for Decision

Reason: The contents of the report is to ensure open and transparent governance in the financial affairs of the Council in balancing the 2024/25 Budget.

C. Housing Revenue Account Budgets 2024-25

The Executive received the Housing Revenue Account (HRA) Budgets 2024-25 for recommendation to Council. It was noted that a review of recharge allocations had been undertaken during 2023-24 to ensure recharges were fair and reasonable to the HRA, and the 2024-25 budget assumptions included those adjusted recharges. The Executive was informed that the HRA was forecast to make an estimated surplus of

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some £960k in 2024-25. It was reported that the 2024-25 HRA Budget included an increase in interest costs that would be incurred from borrowing an additional £2.5m to support the capital programme for housing. Due to the poor condition of the Council's housing stock, capital investment was required to fund high risk safety remedial works and Decent Homes improvements. The Executive welcomed the 30-year HRA Business Plan and the Housing Asset Management Plan which was part of the Capital Programme report later on the agenda. Consideration of reaching Net Zero by 2030 and improving energy efficiency was highlighted when investing in and refurbishing the Council's housing estate.

Regarding service charges, the Portfolio Holder for Housing highlighted the need for support to be made available to vulnerable tenants to ensure that those tenants claimed benefits to which they were entitled and which would cover service charges.

Following national issues around damp and disrepair, it was highlighted that there was a new Government requirement for all local authorities and social landlords to consult Council tenants. This positive step to consult tenants would take place in Woking in the coming months.

The Executive welcomed the Council's focus on homes for local people and the investment planned in the Council's social housing to tackle fire safety and to undertake Decent Homes improvements.

Recommendations

The Executive is requested to:

RECOMMEND TO COUNCIL That

- (i) **the Final Housing Revenue Account budgets for 2024-25, as set out in Appendix 1 to the report, be agreed; and**
- (ii) **with effect from 1 April 2024, rents be increased by 7.7%.**

Reasons for Decision

Reason: To approve the resources necessary to implement the Council's objectives for Housing and to enable the Council to determine charges to tenants for 2024/25.

D. Capital Programme 2023-24 to 2027-28

The Executive received the Capital Programme 2023-24 to 2027-28 which set out the investments required to deliver the Council's key strategies and objectives. Following the Section 114 Notice, it was noted that the Capital Programme (formerly known as the Investment Programme) had been largely suspended with provisions only for items such as urgent health and safety and regulatory works, Housing Asset Management Programmes funded by the HRA, and payments related to business cases agreed with the Commissioners and DLUHC. Attention was drawn to the Capital Planning Principles adopted by the Council in July 2023 for the General Fund Capital Programme year 2024-25 and the period of the MTFs.

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As discussed under the Housing Revenue Account Budgets 2024-25 item, the Executive welcomed the Council's new focus on homes for local people and the significant upscaling of the Housing capital programme. Investment was planned in the Council's social housing to tackle fire safety and to undertake Decent Homes improvements, and work was taking place on a 30-year HRA Business Plan.

The Executive also welcomed the inclusion in the Capital Programme of Pool in the Park capital maintenance, play area and parks and green spaces works, and West Byfleet Recreation Ground tennis courts.

Regarding Byfleet flood relief works, it was noted that although the Council was no longer able to make a £5m contribution as originally intended it was still able to give land to the scheme. Officers were looking at whether the Environment Agency and Surrey County Council could increase their contributions to the scheme.

Recommendations

The Executive is requested to:

RECOMMEND TO COUNCIL That

- (i) the Capital Programme 2023/24 to 2027/28 be approved subject to reports on projects where appropriate; and**
- (ii) the proposed financing arrangements be approved.**

Reasons for Decision

Reason: To recommend to Council that it approves the capital resources for 2023/24 onwards considered necessary to support the Council's service plans and objectives.

E. Future Of Brockhill

Following consultation on the proposed closure of Brockhill Extra Care Housing agreed by the Executive at its meeting on 14 December 2023, the Executive received a report which provided an update on the results of the consultation and which recommended to Council the closure of Brockhill. Councillor Nicholson, Portfolio Holder for Extra Care, expressed regret at the proposed closure of Brockhill Extra Care Housing scheme, a much valued and loved facility. Due to the significant capital expenditure required on fire safety remedial works, a full heating system replacement and limited investment over the years, the building was unfortunately considered unviable due to the level of capital investment needed; some £5.8m over the next 10 years. In addition, the design and layout of the building did not meet the current expectations for extra care housing as set out in Surrey County Council's Accommodation with Care and Support Strategy and national best practice. The Council was working with SCC Adult Social Care to support residents with identifying and moving to alternative accommodation based on their individual assessed needs.

The Executive was informed that no discussions had taken place on the long-term future of the Brockhill site as the focus was on supporting residents through this difficult period.

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Following a query regarding the medium-term plans to return some of the lost capacity as a result of the closure of Brockhill, the Portfolio Holder for Extra Care advised that she had submitted a question to SCC Cabinet regarding capacity concerns. SCC had advised that it did have an Accommodation with Care and Support Strategy dated July 2019 which looked at the County Council's overall strategy across Surrey. In the future, SCC was planning to deliver about 200 units in North West Surrey.

Recommendations

The Executive is requested to:

RECOMMEND TO COUNCIL That

- (i) the closure of Brockhill Extra Care Housing be agreed;
- (ii) the residents of Brockhill be offered suitable alternative accommodation which best meets their needs and preferences and be paid Statutory Home Loss and Disturbance payments, where eligible; and
- (iii) authority be delegated to the Strategic Director - Communities, in consultation with the Portfolio Holder for Housing, to make any further decisions required in respect of the closure.

Reasons for Decision

Reason: To set out the future plans for Brockhill Extra Care Housing scheme and the support that will be available to impacted residents.

The Council has the authority to determine the recommendations set out above.

Background Papers:	None.
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