

MINUTES
OF A MEETING OF THE
EXECUTIVE

held on 13 July 2023
Present:

Cllr A-M Barker (Chairman)
Cllr W Forster (Vice-Chair)

Cllr P Graves Cllr E Nicholson
Cllr I Johnson Cllr D Roberts
Cllr L Lyons

1. APOLOGIES FOR ABSENCE

No apologies for absence were received.

2. DECLARATIONS OF INTEREST

In accordance with the Officer Employment Procedure Rules, the Strategic Director – Corporate Resources, Kevin Foster, declared a disclosable personal interest (non-pecuniary) in any items concerning the companies of which he was a Council-appointed director. The interests were such that Mr Foster could advise the Executive on those items.

In accordance with the Officer Employment Procedure Rules, the Strategic Director – Communities, Louise Strongitharm, declared a disclosable personal interest (non-pecuniary) in any items concerning the companies of which she was a Council-appointed director. The interests were such that Mrs Strongitharm could advise the Executive on those items.

The interest of the Head of Transformation and Digital, Adam Walther, was referred to in the agenda but it should be noted that Mr Walther was not present at the meeting.

3. MINUTES

RESOLVED

That the minutes of the meeting of the Executive held on 15 June 2023 be approved and signed as a true and correct record.

4. URGENT BUSINESS

There were no items of Urgent Business under Section 100B(4) of the Local Government Act 1972.

5. QUESTIONS

No written questions had been submitted under Section 3 of the Executive Procedure Rules. The Leader highlighted that the Executive welcomed questions from members of the public and explained the submission process. The deadline for written questions from members of the public was 12 noon, seven days before the Executive. The next Executive would be held on 14 September 2023, so the deadline for written questions was 12 noon, 7 September 2023.

6. MEDIUM TERM FINANCIAL STRATEGY (MTFS) EXE23-041

Councillor Roberts, Portfolio Holder for Finance, introduced the report which provided an updated Medium Term Financial Strategy (MTFS) for the period 2024/25 to 2028/29 and which also set out a timetable with clear milestones for a further update of the MTFS in September 2023. An updated Budget Timetable (Annex 4 to the report) was tabled at the meeting. It was noted that the Overview and Scrutiny Committee, at its meeting on 10 July 2023, had considered the MTFS report under its remit for pre-decision scrutiny.

The Portfolio Holder explained the background to the report, drawing attention to the Section 114 Notice which had been issued by the Section 151 Officer on 7 June 2023 and the Chief Executive's Response. The Executive was informed that the MTFS set out the strategic financial approach that the Council would adopt in supporting delivery of the Improvement and Recovery Plan. The Plan would be reported to an Extraordinary Council Meeting on 22 August 2023. It was noted that the MTFS and Medium Term Financial Plan (MTFP) would be reported quarterly to the Executive. Regarding the budget shortfall of £11m, the Executive was invited to support the recommendation to undertake consultation and engagement to allow the Council to take decisions on the Budget in September 2023 and February 2024. Engagement with residents had commenced in early July regarding discretionary services, and formal consultation with staff and Unison would commence on 24 July 2023. It was noted that a reduction in staff headcount of approximately 60 FTE in the Council overall was expected given the scale of the savings proposals. The Executive expressed regret at the proposed staff redundancies and gave a commitment for the process to be done in a responsible and compassionate way and to conduct the proper consultations. Regarding the Deficit of £1.2bn, it was noted that engagement with the Government Department (DLUHC) would commence shortly led by Commissioners with the Council's statutory officers.

The Executive acknowledged that it was a difficult and challenging time for residents, business and Council staff. The positive relationship between the Council and the Commissioners appointed by Government was highlighted, noting that the aims of both were fully aligned. Regarding the assumed 20% rise in car park charges in 2024/25, it was highlighted that planning assumptions would be revised following the Parking Strategy due in Autumn 2023 which would consider best value. The Portfolio Holder undertook to review the 14 Guiding Principles with the Interim Director of Finance to ensure that the Council was not undermining its approach to the Greener Woking agenda. It was added that there was a need to review the Woking For All Strategy and that Net Zero would form part of that review. Following a question regarding Community Infrastructure Levy (CIL), it was noted that the Interim Director of Finance was preparing a briefing note on CIL for Members.

The Executive commended Officers for their resilience and commitment during this challenging time. The Leader of the Council advised that the survey on discretionary services would be available for local people to complete until 10 August 2023 and the Leader encouraged residents to complete the survey before the deadline. It was

highlighted that paper copies of the survey were available, such as at the Council's community centres.

RECOMMENDED to Council

- That (i) the Budget Timetable, as updated, be noted;**
- (ii) the Guiding Principles be approved;**
- (iii) the Capital Planning Principles be approved;**
- (iv) it be noted that the Capital Planning Methodology will be re-designed before Budget Council on 8 February 2024;**
- (v) it be noted that the Investment Programme has been suspended indefinitely on grounds of affordability;**
- (vi) the savings for consultation (FFP 3(A)) including those relating to possible reductions in the Council's staffing establishment be approved;**
- (vii) it be noted that the Treasury Management Strategy, Financing Strategy, and related documents will be re-set for Budget Council in February 2024;**
- (viii) the MTFS and embedded MTFP as an estimate of the Council's current financial position be approved; noting that the figures will change as further updating takes place; and**
- (ix) the preparation of an Assets Rationalisation Plan be noted.**

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

7. SHEERWATER REGENERATION EXE23-049

Councillor Forster, Portfolio Holder for Key Projects, introduced the report which provided an interim position on the Sheerwater regeneration reflecting the very serious financial position of the Council. The Portfolio Holder expressed regret that, given the Council's significant financial challenges, the Council could not afford the future borrowing required to complete the regeneration. The Executive was informed that the report proposed that the current Development Agreement between the Council and ThamesWey for the delivery of the Sheerwater regeneration project be brought to an end. It was noted that it was proposed for ThamesWey to complete the three phases – Copper, Red and Yellow – which were currently mid-construction. The Council would work with housing associations or private developers to complete the Sheerwater regeneration scheme, and/or consider refurbishing and reletting existing homes. The Executive noted that the report also proposed to rebalance the affordable housing ratio in order to achieve the balanced community ambition of the planning consent. The Portfolio Holder highlighted that the Council wrote to residents ahead of the Executive meeting in order to explain the situation. The detrimental effect of the regeneration scheme on Housing Revenue Account (HRA) rental income was raised.

The Executive was sorry that the Council was not in a position to complete the regeneration itself and recognised the ongoing disruption, concern and uncertainty faced by Sheerwater residents. It was confirmed that the Council remained committed to delivering a regenerated Sheerwater and would be seeking the views of the local community on alternative options. A report on the future delivery of the wider Regeneration Scheme would be received by the Executive and Council in the Autumn.

RECOMMENDED to Council

- That (i) the existing Development Agreement between the Council and ThamesWey for the delivery of the Sheerwater regeneration project be brought to an end;**
- (ii) ThamesWey do not commence any new phases following those currently under construction;**
- (iii) ThamesWey be authorised to take such actions, including seeking technical and planning approvals as necessary, to bring its involvement in the project to a cost-effective end in consultation with the Council;**
- (iv) authority be delegated to the Chief Executive to give an Executive Undertaking if the Planning Committee approves the changes to the affordable housing as outlined in the report;**
- (v) negotiations between the Council and ThamesWey commence on an unwinding of the previously agreed barter arrangement; and**
- (vi) the Special Lettings Policy adopted in 2017 be temporarily suspended until such as time as the wider scheme and Sheerwater Community Charter have been reviewed.**

Reason: To enable further work to progress that will deliver a sustainable delivery option for the Sheerwater Regeneration project whilst reducing financial risks and exposure to the Council.

8. HOUSING REVENUE ACCOUNT (HRA) RECOVERY PLAN EXE23-050

The Executive received a report which provided an update on the Housing Revenue Account (HRA) budget, including forecasts for the coming 5 years, along with actions that were being pursued to deliver a sustainable long-term HRA. Councillor Johnson, Portfolio Holder for Housing, advised that the HRA was in a difficult situation and forecast a deficit up to and including 2026-27. The Executive was advised that the HRA had been adversely impacted by a combination of factors, including lost rental income due to the Sheerwater Regeneration scheme, nationally imposed rents cuts between 2016 and 2020, energy inflation, and internal cross charging practice. The report set out a path to recovery and included the main areas of search for savings. The need to work with Surrey County Council and partners to meet the capital budget shortfall was highlighted. It was noted that the Annual Maintenance Plan (AMP) for 2023/24 had been reviewed and reduced with a focus on essential works only, for example, fire safety remedial works. Due to the

suspension of some works relating to the Decent Homes programme, the Council would be required to self-refer to the Social Housing Regulator.

RECOMMENDED to Council

- That (i) **the update on the Housing Revenue Account budgets be noted;**
- (ii) **the Housing Annual Maintenance Plan (AMP) budget for 2023-24, included in the Housing Investment Programme, be increased to £5,330,000 to allow essential and statutory remedial works to be completed, as set out in Appendix 1 to the report;**
- (iii) **the Strategic Director – Communities, in consultation with the Portfolio Holder for Housing, be authorised to agree the disposal of vacant housing assets as required; and**
- (iv) **any capital receipts from disposals of vacant housing assets be held in the Major Repairs Reserve for investment in the maintenance of the Council’s homes.**

Reason: To ensure the Council is able set a sustainable Housing Revenue Account (HRA) budget and deliver on its statutory and regulatory housing duties.

9. PUBLIC REALM USAGE POLICY EXE23-040

The Executive received a report which recommended to Council the adoption of the updated Public Realm Usage Policy in order to better manage the town centre spaces open to the public, and the events permitted within the town centre denoted boundary, for the benefit of all users. The Overview and Scrutiny Committee had considered the report at its meeting on 10 July 2023 under its remit for pre-decision scrutiny. A copy of the recommendations of the Committee were before the Executive and set out that the Committee welcomed the Policy, that every effort be made to ensure that such a policy be delivered on a cost neutral basis, and that due consideration be given such that charities not be financially burdened by the policy. The Executive noted the recommendations from the Committee and agreed that Officers should consider how the Policy could be delivered on a cost neutral basis but not financially burden charities.

RESOLVED

- That (i) the recommendations of the Overview and Scrutiny Committee be noted;
- (ii) Officers consider how the Public Realm Usage Policy could be delivered on a cost neutral basis but not financially burden charities; and

RECOMMENDED to Council

That the updated Public Realm Usage Policy, attached as Appendix 1 to the report, be adopted.

Reason: To ensure fair and consistent usage of the town centre to promote footfall and economic prosperity.

10. TOWN CENTRE MASTERPLAN EXE23-056

Following the meeting of the Executive on 2 February 2023, Officers had reviewed how the Town Centre Masterplan work could be taken forward, making effective use of the valuable consultation feedback. Councillor Lyons, Portfolio Holder for Planning Policy, explained the three clear options set out in the report along with the benefits and challenges of each option. Due to the Council's financial constraints the third option was the only available option, which was to take forward the Masterplan work as part of the new Local Plan. It was noted that the Council was statutorily obliged to bring forward a new Local Plan following the end of the current plan period (2027) and the approach was recommended by Officers. The Portfolio Holder confirmed that the work carried out to date in terms of overarching principles of the townscape strategy was being used by Officers in discussions with developers, and as evidence to inform the current review of the Core Strategy.

The Overview and Scrutiny Committee had considered the report under its pre-decision scrutiny remit at its meeting on 10 July 2023 and the minute of the Committee was before the Executive. The Portfolio Holder expressed disappointment that he had been unable to attend the Committee due to receiving an invitation at short notice. The Portfolio Holder drew attention to the minute of the Committee and stated that the adoption of the Masterplan, in whatever format, would not affect development in the villages in the outskirts and would not require declassification of Green Belt land.

The Executive welcomed the extensive work carried out to date to guide future development in the town centre and thanked Officers for their efforts. The Executive was supportive of the Masterplan work being taken forward as part of the new Local Plan.

RESOLVED

- That (i) the minute of the Overview and Scrutiny Committee held on 10 July 2023 regarding the Town Centre Masterplan, including the individual Members of Committee's concerns, be noted; and
- (ii) the Masterplan work, including a townscape strategy and design code, be taken forward as part of the new Local Plan.

Reason: This is the preferred option to bring forward robust town centre policies, alongside detailed design code to guide development over the next plan period (15 years).

11. EQUALITIES ANNUAL REPORT 2023 INCLUDING PAY GAP REPORT EXE23-036

The Executive received the Equalities Annual Report 2023 which set out the progress on the equalities agenda and included the Pay Gap Report. Attention was drawn to the positive news that all staff who had taken maternity leave had returned to work, and all flexible working requests had been accommodated. As discussed earlier in the meeting under the MTFs item, the Executive noted that the Council would need to reduce staff numbers and it would be important for the Council to follow the equality principles and provide support to staff. The Leader commented that positive feedback had been received from staff and the unions on how the situation had been communicated to date. The

Executive highlighted the health and wellbeing work directed at Council staff and welcomed the Supporting Carers Policy.

RESOLVED

That (i) the report be received; and

(ii) the Supporting Carers Policy be noted.

Reason: To meet the requirement to report on annual progress on the equality agenda, report pay gap figures and present the Supporting Carers Policy.

12. PERFORMANCE AND FINANCIAL MONITORING INFORMATION

The Executive considered the Performance and Financial Monitoring Information (Green Book) April and May 2023.

RESOLVED

That the Performance and Financial Monitoring Information, April and May 2023, be received.

Reason: To manage the performance of the Council.

<p>This document was published on Friday 14 July 2023 and the decisions within it will be implemented on Monday 24 July 2023, subject to call-in.</p>
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The meeting commenced at 7.00 pm and ended at 8.44 pm.

Chairman: _____

Date: _____