

Waverley Borough Council

Report to: Executive

Date: 3 September 2024

Ward(s) affected: All

Report of Director: Richard Bates

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Executive Portfolio Holder/ Lead Councillor responsible: Councillor Paul Follows, Leader of the Council, Portfolio Holder for Policy, Governance and Communications

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Report Status: Open

Key Decision: No

Proposed Waverley Borough Council Voluntary Council Tax Initiative

1. Executive Summary

- 1.1 This report presents a proposal for a Waverley Borough Council Voluntary Council Tax Initiative covering what it could be and what it could achieve.

- 1.2 The report presents the inner workings of the Westminster Council Voluntary Council Tax Model and how a similar model can be set up in Waverley.
- 1.3 The report also sets out all the available options and the possible next steps.

2. Recommendations

- 2.1 That the Executive resolves to recommend that Council approve proceeding to consultation with all Band H Council tax paying properties, in order to gauge support for the establishment of a Waverley Borough Council Voluntary Council Tax Initiative.

3. Reason(s) for Recommendation:

- 3.1 To allow a decision to be made at full Council about the setup of a Waverley Borough Council Voluntary Council tax contributions initiative.

4. Exemption from publication

- 4.1 No part of this report is exempt from publication.

5. Purpose of Report

The purpose of this report is to:

- 5.1 Present information on the concept of additional voluntary council tax pursuant to the resolution of full Council in February 2024.
- 5.2 Outline the actions members and officers will need to take to launch the scheme if a decision is made to take it further.

6. Strategic Priorities

- 6.1 To achieve its strategic priorities, the Council recognises the need to generate additional income to fund discretionary services. Inviting Band H Council Taxpayers to voluntarily contribute any amount they would like to a scheme where the funds would be used to fund the local causes, they care about is one way to achieve this.

7. Background

- 7.1 On 20 February 2024, the Council debated a budget alteration and by a majority resolved that Waverley Borough Council explore the creation of a voluntary contribution scheme for Council Tax Band H residents of our Borough. Since then, officers together with the Chief Executive Officer have engaged with officers in Westminster Council to find out how their scheme was set up and how it works.
- 7.2 Between 17 November 2017 and 15 December 2017, Westminster Council consulted with all Band H Council tax paying properties on a proposal to allow people living in the City's highest value properties to pay a voluntary contribution to support local priorities and projects. The consultation found a significant showing of support for the scheme.
- 7.3 On 7 March 2018 Council resolved to introduce the Westminster Community Contribution scheme to allow higher value properties in the city to voluntarily contribute towards funding local discretionary services. Residents were invited to make their contributions to the City of Westminster Charitable Trust (the Trust).
- 7.4 As part of the consultation residents in Band H properties were invited to suggest which discretionary services, they would like the money spent on. The suggestions were grouped together and developed into the themes and objectives of the fund – which are to

fund youth services, help rough sleepers off the streets at night and helping lonely and isolated people in Westminster only.

- 7.5 The donations are made to the Charitable Trust – City of Westminster Charitable Trust (COWAT) which is an arm’s length Charity – independent to the Local authority. The Local Authority administers the Westminster Community Contribution Scheme on behalf of COWAT including all fundraising activities (Engagement, Consultation, sending Ask letters twice a year), Annual grant funding, Legal and Finance Support.
- 7.6 The City of Westminster Charitable Trust has Cross-Party Members of Westminster Council plus Senior Council Officers as Trustees. It is chaired by the Lord Mayor of Westminster.
- 7.7 Campaigns are run each year and have generated an additional £300k each year. On receipt and determination of the total funding pot available, applications are opened with deadlines. The LA team responsible for the scheme are responsible for screening and sifting the applications before submitting the applications to the Trustees for decisions.

8. Waverley Borough Council Model

- 8.1 If Waverley decide to go ahead with this proposal, we suggest we follow the Westminster model because it has a proven track record of success.
- 8.2 Waverley would have to set up a Charity to receive the donations and administer the scheme. The Charity can enter a governance arrangement with the Local Authority to operationally administer the scheme on its behalf.
- 8.3 To set up the Charity for this purpose – Waverley Borough Council would need to determine and define the objectives of the charity to be set up, choose Trustees and agree the term of Trusteeship and how Trustees will be replaced, make sure the proposed Charity will

- pass the “charitable purposes for public benefit test”, choose a name and structure for the Charity, create a governing document and apply to the Charity Commission to have it set up.
- 8.4 On the structure of the Charity the options available to Waverley are Charitable Trust, Charitable incorporated organisation, Charitable company (limited by guarantee) and Unincorporated association.
 - 8.5 Options for Trusteeship composition in Waverley could be cross-party plus two Senior Officers with the elected Mayor as Chair or it could be the Executive and Senior Officers or Executive only with one of the Trustees elected as Chair.
 - 8.6 The Charitable objectives could include our corporate strategy, should align to our corporate strategy but must be reflective of what the donors hold dear.
 - 8.7 Waverley Borough Council would have to consult all residents currently living in Band H properties to gauge and register their support for such a scheme and to gather a list of discretionary local services they would like the funds generated to support.
 - 8.8 Once it is established that the scheme if set up will garner support, the Charity should be set up and the scheme launched.
 - 8.9 The donations are voluntary, and any amount is welcome.
 - 8.10 Waverley would have to agree a collections approach. We could follow the Westminster lead and send out at least two Ask letters a year for donations and in the letters an update would be given on the proposed use of the money.
 - 8.11 A dedicated web page could be set up for the Charity that would set out the objectives of the charity, take donations, accept applications and provide regular updates on the administration of the scheme.
 - 8.12 Waverley would also have to decide whether it would administer the Charity on a pro-bono basis as their donation to the charity and agree a governance arrangement.

8.13 Decide on the model to be used to deliver the local discretionary services once the money comes in.

9. Options

9.1 Do nothing – will cost the possibility of generating hundreds of thousands of pounds in additional income to be used for much needed local discretionary services.

9.2 Accept the recommendations - take a chance and consult to measure support and viability of the scheme.

9.3 Commit to the launch of the scheme – draw up an action plan to make it happen.

10. Next steps

10.1 Depending on the option chosen above the next steps would be to take a report to full Council for a decision on the launch of the proposed scheme or do nothing.

10.2 Prepare a fully developed proposal – with suggestions on Charity purpose and objectives, name, structure and Trusteeship to be voted on.

10.3 Ask for delegated authority to be given to the Head of Paid Service, Joint Strategic Director of Finance and Joint Strategic Director of Legal and Democratic services to execute.

11. Consultations

11.1 The residents living in Band H properties in the borough will need to be consulted to get their buy in. This would be essential to the success of the scheme.

12. Key Risks

12.1 Lack of support for the scheme from Band H residents.

13. Financial Implications

- 13.1 If the scheme is given a go-ahead additional income could be generated which would be used for much needed local discretionary services.

14. Legal Implications

- 14.1 The decision to introduces the Waverley Borough Council Voluntary Council tax contributions initiative would be made on recommendation of the Executive to Full Council, as part of the annual Budget Setting Process.
- 14.2 An options appraisal of the most appropriate legal structure for the proposed charity, including governance arrangement should be undertaken. The Council would also need to ensure compliance with legal duties placed upon charity trustees and the Charity Commission guidance on Local authorities (or councils) as trustees of charities, published in August 2024 should also be considered in this regard.

15. Human Resource Implications

- 15.1 Senior staff may need to have some input into Trustee meetings. It is not clear what impact this may have on their substantive roles.

16. Equality and Diversity Implications

- 16.1 No Equality and Diversity implications

17. Climate Change/Sustainability Implications

- 17.1 No Climate change or sustainability implications

18. Conclusion

- 18.1 The Executive has the option to either decide to accept the recommendations or not to.
- 18.2 It is recommended that the Executive accepts the recommendations.

19. Appendices

- 19.1 Appendix 1 – Suggested Timeline
- 19.2 Appendix 2 – Copy of Westminster Ask Letter
- 19.3 Appendix 3 – City of Westminster Charitable Trust 2022/23 Annual Report

Please ensure the following service areas have signed off your report.
Please complete this box, and do not delete.

Service	Sign off date
Finance / S.151 Officer	13.08.2024
Legal / Governance	14.08.2024
HR	14.08.2024
Equalities	N/A
Lead Councillor	14.08.2024 & 23/8
CLB	N/A
Executive Briefing/Liaison	20/8

Committee Services	15/8
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