

Executive

* Councillor Julia McShane (Chairperson)

* Councillor Tom Hunt (Vice-Chair)

* Councillor Angela Goodwin

* Councillor George Potter

* Councillor Catherine Houston

* Councillor Merel Rehorst-Smith

* Councillor Richard Lucas

* Councillor Fiona White

Councillor Carla Morson

*Present

Councillors Philip Brooker, Vanessa King, Joanne Shaw, Howard Smith, Dominique Williams and Catherine Young were also in remote attendance.

EX46 Apologies for Absence

Apologies for absence were received from Councillor Carla Morson.

EX47 Local Code of Conduct - Disclosable Pecuniary Interest

There were no declarations of interest.

EX48 Minutes

The minutes of the meeting held on 4 January 2024 were confirmed as a correct record. The Chairman signed the minutes.

EX49 Leader's Announcements

The Leader made no announcements.

EX50 Review of the Guildford borough Local Plan: strategy and sites (2015-2034)

The Council was required to review the Local Plan: Strategy and Sites (LPSS) within five years of adoption to decide if an update to the Plan was required. Having considered changes in national planning policy, associated guidance and relevant legislation, as well as changes in circumstances affecting Guildford

borough since the LPSS was adopted, it was officers' view that the Local Plan should be updated.

The report was introduced by the Lead Councillor for Planning who explained that the Local Plan was not only concerned with housing need and housing numbers, but also addressed the business and employment needs of the borough as well. Workplace arrangements and shopping habits had changed greatly since the adoption of the Local Plan in April 2019, and it was anticipated the evidence base would now look quite different. There would also be a review of open spaces and recreational places. If approved, an update of the Local Plan would completely reappraise the evidence base in these key areas. The update would be a large piece of work for the Council to undertake and would take some time to complete. Should the Executive agree the recommendations in the report and forward to Full Council for approval, then a second report would be submitted to the Executive setting out in detail the timetable, process and financing for the update of the Local Plan.

It was noted that during the course of the update it was expected that the Government would announce some substantial changes to planning policy. In addition, a General Election would be held and it was anticipated that significant changes to national planning policy could be introduced by a new government. Officers would be closely monitoring the situation and the Council would need to be prepared to adapt as and when new policy was announced.

It was possible that some of the policies in the Local Plan could become outdated during the course of the update if legislation and/or the National Planning Policy Framework (NPPF) were to change. The adopted Local Plan would remain the primary consideration until such a time as a new plan was adopted by Full Council, but any such policy affected in this way would carry less weight.

It was explained that because the existing Local plan was adopted on 25 April 2019 and not prior to 01 April 2019, there could be an argument made at any appeal that the existing plan should remain in place with 2019 Land Availability Assessment (LAA) numbers for an additional year. However, it was to be expected that this argument might not be supported by the development industry. The matter was beyond the scope of the submitted report but would be kept under observation.

It was observed that slow progress nationally to update population statistics, NPPF and the Standard Method of the local housing need calculation meant it had not been possible to review the Local Plan at any earlier point in time. It was further suggested that the Council might need to apply the existing Standard

Method to its new evidence base if national planning policy were not updated during the period of the review.

The borough presented substantial constraints as to where new building might be located due to flood risk and designated Areas of Outstanding Natural Beauty (AONBs) alongside a challenging infrastructure picture. It was emphasised that a revised plan would be built upon the evidence base alone and that the Council should endeavour to always be clear with local people in this regard.

There was currently no time limit by which any Council should adopt a new local plan. The existing Guildford Borough Local Plan took seven years to adoption in which time the Council undertook three rounds of public consultation, including a Regulation 19 consultation, and processed around 90,000 consultation replies. The Executive heard that the Government was indicating a 30-month period to adoption in future. It was unclear if, under such circumstances, there would be a requirement for less evidence and/or public consultation process and what, if any, penalty there might be for failing to adopt within a set period.

It was commented that although plan-making was challenging here was an opportunity to collaborate with local people to make improvements in a number of areas.

The Executive, in noting all comments and questions thanked the Planning Policy team for its report and,

RESOLVED:

To recommend to Full Council, meeting on 21 February 2024:

1. That the Guildford Local Plan: strategy and sites (2015-2034) be updated following the findings of the review undertaken in accordance with Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended).
2. That a further report be submitted to the Executive at a later date to clarify the appropriate timing for and budgetary requirements of the Local Plan update, and that such report should follow the national planning reform legislation and consider its implications for the update process.

Reason(s):

1. There is a statutory requirement to review the LPSS within 5 years of its adoption. This is to assess whether it needs updating. The review findings set out in this report indicate that an update of the LPSS would be an appropriate

course of action to ensure that the Council's Local Plan remains effective into the future.

2. There are a range of uncertainties which impact on the context for the preparation of a new / updated Local Plan, some of which relate to the lack of clarity regarding the detail of proposed Government reforms to the planning system which guide plan-making. It is necessary that these are fully considered in order to set out recommendations regarding the scope and timing of a new plan-making process.

EX51 Capital and Investment Strategy 2024/25 - 2028/29

The capital and investment strategy gave an overview of how capital expenditure, capital financing and treasury management activity contributed to the provision of local public services. The strategy also detailed how associated risks were managed and any implications for future sustainability.

The Executive considered the report that included details of the capital programme. It was noted that £96.9 million had been removed from the capital programme by Full Council in December 2023 which left around £212 million of capital investment remaining. There was just under £10 million worth of new bids/mandates submitted for approval. The report set out the requirements of the Prudential Code and the investment strategy covering treasury management investments, service investments and commercial investments.

In terms of the Housing Revenue Account (HRA), £121 million of capital investment was proposed for the next five years to support development projects to build or acquire new housing (including Weyside Urban Village).

The report also covered the requirements of the Treasury Management Code and the prevailing DLUHC Statutory Guidance. Treasury Management income for the coming year was £3 million which was slightly down on what had been expected as interest rates had fallen.

The flexible use of capital receipts had been extended for the coming year should the council wish to do so.

The Minimum Revenue Provision (MRP) remained unchanged from last year's budget.

The report had been considered by the Corporate Governance and Standards Committee on 18 January 2023 and the comments arising from that meeting were set out in the Supplementary Information Sheet. A typo (missing words

'budget process') was noted on page 9 of this supplementary paper which would be corrected before the report was submitted to Full Council. The sentence referred to an individual councillor's observational comment of the existing scrutiny process in regard to the budget. The Executive was informed that the scrutiny process for the present budget was in line with that conducted over the previous 4-5 years. There could be future recommended changes to this process as a result of the Council's ongoing close monitoring of all expenditure.

It was observed that close monitoring of expenditure and the actions undertaken by the Council to manage its budget had resulted in a significant reduction in projected expenditure of £200 million. However, the portfolio holder for Finance and Property acknowledged that there was still much work to be done to further reduce the Council's outgoings.

The Executive,

RESOLVED:

1. To approve the new bids set out in Appendix 2 to the report submitted to the Executive for inclusion in the capital programme as indicated, subject to Council approval.
2. To approve the removal of the Bright Hill scheme on the HRA approved and provisional programmes as previously reported to Councillors.
3. To recommend (to Full Council meeting on 7 February 2024):
 - (a) That the General Fund and HRA capital estimates, as shown in appendices 3 to 12, as amended to include the new bids referred to in 1. above, be approved.
 - (b) That the Minimum Revenue Provision Policy, referred to in section 9 of the report submitted to the Executive, be approved.
 - (c) That the capital and investment strategy, specifically the investment strategy and Prudential Indicators contained within the report and Appendix 1, be approved.
 - (d) That the updated flexible use of capital receipts policy, as set out in Appendix 8, be approved.

Reason(s):

To enable Council, at its budget meeting on 7 February 2024, to approve the capital and investment strategy for 2024/25 to 2028/29, and the funding required for the new capital schemes proposed.

EX52 Housing Revenue Account Budget 2024-25

The S.151 Officer introduced the report that outlined the proposed Housing Revenue Account (HRA) budget for 2024/25, which had been built on the estimates and assumptions in the updated 2023 HRA Business Plan.

It was noted that the HRA was a completely separate account to the General Fund. The surplus remained but was reducing year on year.

The Direction on the Rent Standard 2019 required the Regulator of Social Housing to set a rent standard for social housing which came into effect from 2020, which would have been CPI +1% from the preceding September rate, this equated to 7.7% and was the recommended rent increase for the year that would also apply to those in Shared ownership. The Leader reminded the meeting that around 92% of the Council's tenants were on social rent. Of those around 60% were in receipt of Housing Benefit or Universal Credit.

A 5% increase in garage rents was proposed which was in line with the wider Council policy on fees and charges.

The report included the overall details of the proposed investment programme for the properties that were managed within the HRA.

The comments arising from the meeting of the Joint Executive Advisory Board held on 9 January 2024 were set out in the Supplementary Information Sheet.

The Executive received those comments and,

RESOLVED:

To recommend to the Council meeting on 7 February 2024:

1. That the proposed HRA revenue budget for 2024/25, as set out in Appendix 1 to the report submitted to the Executive, be approved.
2. That a rent increase of 7.7%, be implemented.

3. That the fees and charges for HRA services for 2024/25, as set out in Appendix 2 to the report, be approved.
4. That a 5% increase be applied to garage rents which is in line with the wider Council policy on fees and charges.

Reason(s):

To enable the Council to set the rent charges for HRA property and associated fees and charges, along with authorising the necessary expenditure to implement a budget, this is consistent with the objectives outlined in the HRA Business Plan

EX53 General Fund Revenue Budget 2024-25 and Medium-Term Financial Plan 2024-25 to 2026-27

The S.151 officer introduced the report that set out the draft General Fund Budget for 2024/25 and Medium-Term Financial Plan (MTFP) 2024-25 to 2026/27. The Executive was reminded that all of the proposed actions to achieve a balanced budget for next year were set out in the appendices to the report.

An underspend of just under £1.1 million was projected for the current year and this would be directed towards a number of actions to achieve a balanced budget for next year. It was confirmed that the Council was currently no longer at risk of declaring a S.114 notice.

The detail of the Local Government funding settlement was yet to be announced, but it was estimated that Guildford would receive an additional £165,000. Nationally, it was thought that higher awards would be directed towards upper tier authorities with responsibilities for schools and social care.

The Executive was referred to the S.25 report and heard that workstreams had been continuing on the 2024-25 budget and the £18.3m MTFP gap as part of the Financial Recovery Plan agreed in August 2023, including the capital expenditure review and the proposed asset disposal programme. The outputs from the various workstreams had reduced the budget gap by £15.9m. The MTFP set out the key work streams for the Council to focus on over this period which, aimed to address the remaining £2.4m budget gap across the MTFP period and to prepare for future capital financing costs and funding risks.

The Executive was advised that strengthened financial reporting and processes needed to be embedded to form the foundations of a financially resilient council.

The Executive noted that considerable progress had been made since reporting to Council in July 2023, but the agreed savings plans needed to be delivered and the remaining budget gap still needed to be addressed.

The Executive thanked the Financial Services team and officers across the Council who had worked collaboratively to reduce the budget gap, and

RESOLVED:

To recommend the following to Council (at its Budget Meeting on 7 February 2024):

1. That the General Fund Budget for 2024/25 as summarised in Appendix 1, incorporating the budget variations included at Appendix 2, be approved.
2. That a 2.99% increase in Guildford Council's Band D Council Tax Charge for 2024/25, be approved with resultant increases to the other council tax bands.
3. That the Council's existing Local Council Tax Support Scheme, with uprating as set out in Appendix 6 and the £40,000 discretionary hardship fund that runs alongside it, be continued.
4. That, from 1 April 2025, the Council varies its determination of 26 February 2019 under Section 11B of the Local Government Finance Act 1992, so that the long-term empty dwelling levy starts after a property has been empty and unfurnished for one year.
5. That, from 1 April 2025, the Council will charge a premium (levy) of 100% on periodically used dwellings as defined by section 11C of the Local Government Finance Act 1992.
6. That the schedule of Fees and Charges, as set out in Appendix 3 to this report, be approved.
7. That the use of the 2023-24 underspend as set out in paragraph 8.5 of this report, be approved.

Reason(s):

1. The General Fund Budget is a major decision for the Council and setting a balanced budget is a statutory requirement.
2. Scrutiny of these MTFP and Budget proposals demonstrate transparency and good governance.
3. The Council has been well positioned to respond to these challenges and whilst the latest MTFP for the subsequent years ending 2026/27 continues to project future financial pressures, and opportunities, the Council is able to

take action to ensure sufficient funding is in place to deliver and maintain services.

EX54 Guildford Borough Council Whistleblowing Policy

The Lead Councillor for Regulatory and Democratic Services introduced the report.

Guildford Borough Council encouraged staff and others to report any cases of suspected wrongdoing or misconduct, illegal acts, or failure to act within the council as part of its commitment to act with integrity and openness in the best interest of its residents and communities. To govern any such disclosures, the council had a Whistleblowing Policy. That Policy had been reviewed and updated and was set out in Appendix 1 of the report.

The Executive heard that it was proposed Guildford Borough Council and Waverley Borough Council attempt to align their respective Whistleblowing Policies as far as it was appropriate to do so, whilst accepting there might be local differences. Proposals similar to those contained in the report were due to be considered at Waverley Borough Council shortly.

The report had been considered by the Corporate Governance and Standards Committee on 18 January 2024 and the comments and recommendations arising from that meeting were set out in the Supplementary Information Sheet at Appendix 2. Those recommendations included correcting two factual errors in the draft policy and to propose a delegation to the Monitoring Officer to make minor amendments as appropriate for the purpose of keeping it up to date.

The Executive agreed that the council must be an open and transparent organisation and the Joint Chief Executive, in particular, was commended for his work in developing this approach. An annual report was proposed. The revised Whistleblowing Policy was considered fit for purpose with the changes recommended by the Corporate Governance and Standards Committee incorporated. Consequently, the Executive:

RESOLVED:

To adopt the policy set out in Appendix 1 to the report incorporating the recommended amendments from the Corporate Governance and Standards Committee.

Reason(s):

1. It was right and proper to uphold the principles of transparency to encourage individuals to make any disclosures and raise any concerns where they suspect wrongdoing.
2. It is important that the Council has a policy in place to govern such disclosures and that such policy is kept under regular review.

The meeting finished at 7.02 pm

Signed

Date

Chairman