

GUILDFORD BOROUGH COUNCIL



**MIAH
MAYOR**

Contact Officer:

John Armstrong,
Democratic Services and Elections Manager
Tel: 01483 444102

2 October 2023

To the Councillors of Guildford Borough Council

You are hereby summoned to attend a meeting of the Council for the Borough of Guildford to be held in the **Council Chamber, Millmead House, Millmead, Guildford, Surrey GU2 4BB** on **TUESDAY 10 OCTOBER 2023** commencing at 7.00 pm.

Tom Horwood
Chief Executive

Millmead House
Millmead
Guildford
Surrey GU2 4BB

www.guildford.gov.uk

WEBCASTING NOTICE

This meeting will be recorded for live and/or subsequent broadcast on the Council's website in accordance with the Council's capacity in performing a task in the public interest and in line with the Openness of Local Government Bodies Regulations 2014. The whole of the meeting will be recorded, except where there are confidential or exempt items, and the footage will be on the website for six months.

If you have any queries regarding webcasting of meetings, please contact Democratic Services.

THE COUNCIL'S STRATEGIC FRAMEWORK (2021- 2025)

Our Vision:

A green, thriving town and villages where people have the homes they need, access to quality employment, with strong and safe communities that come together to support those needing help.

Our Mission:

A trusted, efficient, innovative, and transparent Council that listens and responds quickly to the needs of our community.

Our Values:

- We will put the interests of our community first.
- We will listen to the views of residents and be open and accountable in our decision-making.
- We will deliver excellent customer service.
- We will spend money carefully and deliver good value for money services.
- We will put the environment at the heart of our actions and decisions to deliver on our commitment to the climate change emergency.
- We will support the most vulnerable members of our community as we believe that every person matters.
- We will support our local economy.
- We will work constructively with other councils, partners, businesses, and communities to achieve the best outcomes for all.
- We will ensure that our councillors and staff uphold the highest standards of conduct.

Our strategic priorities:

Homes and Jobs

- Revive Guildford town centre to unlock its full potential
- Provide and facilitate housing that people can afford
- Create employment opportunities through regeneration
- Support high quality development of strategic sites
- Support our business community and attract new inward investment
- Maximise opportunities for digital infrastructure improvements and smart places technology

Environment

- Provide leadership in our own operations by reducing carbon emissions, energy consumption and waste
- Engage with residents and businesses to encourage them to act in more environmentally sustainable ways through their waste, travel, and energy choices
- Work with partners to make travel more sustainable and reduce congestion
- Make every effort to protect and enhance our biodiversity and natural environment.

Community

- Tackling inequality in our communities
- Work with communities to support those in need
- Support the unemployed back into the workplace and facilitate opportunities for residents to enhance their skills
- Prevent homelessness and rough-sleeping in the borough

Time limits on speeches at full Council meetings:	
Public speaker:	3 minutes
Response to public speaker:	3 minutes
Questions from councillors:	3 minutes
Response to questions from councillors:	3 minutes
Proposer of a motion:	10 minutes
Seconder of a motion:	5 minutes
Other councillors speaking during the debate on a motion:	5 minutes
Proposer of a motion's right of reply at the end of the debate on the motion:	10 minutes
Proposer of an amendment:	5 minutes
Seconder of an amendment:	5 minutes
Other councillors speaking during the debate on an amendment:	5 minutes
Proposer of a motion's right of reply at the end of the debate on an amendment:	5 minutes
Proposer of an amendment's right of reply at the end of the debate on an amendment:	5 minutes

AGENDA

1. APOLOGIES FOR ABSENCE

2. DISCLOSURES OF INTEREST

To receive and note any disclosable pecuniary interests from councillors. In accordance with the local Code of Conduct, a councillor is required to disclose at the meeting any disclosable pecuniary interest (DPI) that they may have in respect of any matter for consideration on this agenda. Any councillor with a DPI must not participate in any discussion or vote regarding that matter and they must also withdraw from the meeting immediately before consideration of the matter.

If that DPI has not been registered, the councillor must notify the Monitoring Officer of the details of the DPI within 28 days of the date of the meeting.

Councillors are further invited to disclose any non-pecuniary interest which may be relevant to any matter on this agenda, in the interests of transparency, and to confirm that it will not affect their objectivity in relation to that matter.

3. MINUTES (Pages 11 - 20)

To confirm the minutes of the extraordinary meeting of the Council held on 30 August 2023.

4. MAYOR'S COMMUNICATIONS

To receive any communications or announcements from the Mayor.

5. LEADER'S COMMUNICATIONS

To receive any communications or announcements from the Leader of the Council.

6. PUBLIC PARTICIPATION

To receive questions or statements from the public.

7. QUESTIONS FROM COUNCILLORS

To hear questions from councillors of which due notice has been given.

8. FINANCIAL RECOVERY PLAN - OCTOBER UPDATE REPORT

(Pages 21 - 42)

9. OVERVIEW & SCRUTINY ANNUAL REPORT 2022-23 (Pages 43 - 86)

10. CORPORATE GOVERNANCE AND STANDARDS COMMITTEE ANNUAL REPORT 2022-23 (Pages 87 - 106)

11. AMENDMENTS TO THE GUILDFORD BOROUGH COUNCIL AND WAVERLEY BOROUGH COUNCIL JOINT GOVERNANCE COMMITTEE'S TERMS OF REFERENCE (Pages 107 - 116)

12. APPOINTMENT OF RETURNING OFFICER AND ELECTORAL REGISTRATION OFFICER (Pages 117 - 120)

13. APPOINTMENT OF HONORARY RECORDER (Pages 121 - 126)

14. MINUTES OF THE EXECUTIVE (Pages 127 - 138)

To receive and note the attached minutes of the meetings of the Executive held on 20 July and 24 August 2023.

15. NOTICE OF MOTION DATED 29 SEPTEMBER 2023: MONTHLY REPORTING OF KEY PERFORMANCE INDICATORS

In accordance with Council Procedure Rule 11, Councillor David Bilbé to propose, and Councillor Bob Hughes to second the following motion:

“Guildford Borough Council is in an unprecedented situation with respect to financial management, service provision, staff morale and

management stability. The people who will be totally affected by this significant set of circumstances are the tax paying public and those expecting support and information from the councillors whom they elected. Councillors cannot give clear confidence to voters without having accurate and cogent information. Councillors should be conversant with initiatives which affects their ability to give confident, consistent, and accurate messages to residents of respective wards.

Most well-run businesses produce a brief summary of key variables which show the health or otherwise of the underlying enterprise. This is normally a key document for senior management. This proposal will provide informed information sufficient for councillors to have confidence in the processes and to assure the residents of their ward and Guildford generally that proper action is being taken in the context of circumstances.

Therefore, this Council resolves:

To prepare a regular monthly report in summary format (maximum 4 pages) of key performance indicators (KPIs) for circulation to all councillors containing at least the following information:

- (i) a forecast of projected current deficit or surplus in the next 3-month period together with a rolling forecast for the next 12 months;
- (ii) details of service cost expenditure by service category comparing performance to both original and more importantly revised budget (as submitted to full Council today);
- (iii) a summary of cost saving proposals and consequences for service delivery;
- (iv) proposed asset disposals and yield enhancement performance progress;
- (v) a schedule of expected non-current expenditure costs including capital project payments, debt repayments, costs of planning appeals (inter-alia); and
- (vi) any other significant matters which are considered to have an effect on financial outcome or management stability.”

16. NOTICE OF MOTION DATED 29 SEPTEMBER 2023: SHARING OF SENIOR STAFF

In accordance with Council Procedure Rule 11, Councillor Richard Mills to propose, and Councillor Honor Brooker to second the following motion:

“In the light of developments in the last few months it is now clear that for the next few years the Council faces continuing and severe financial constraints as well as major challenges in its Housing and Planning Departments. This will inevitably place an exceptionally heavy burden on the Council’s most senior officers who under arrangements introduced by the last administration now have to carry out functions jointly for both Guildford and Waverley.

Such “Job Sharing” arrangements between two organisations, especially at such a senior level, are extremely rare. They tend to be onerous and inefficient for the staff concerned, and while they may temporarily obscure problems, they seldom resolve them. Understandably therefore, most organisations prefer to have dedicated officials whose sole concern is for the enterprise for which they work.

It is now clear that, for Guildford at least, this partnership arrangement has not been effective, either in terms of costs or performance. Indeed, in view of the poor financial performance of the Council in recent years, it could be argued that instead of saving money, by spreading managerial resources too thinly, it has actually become an extremely expensive experiment. It now needs to be brought to an end as soon as practicable.

Therefore, this Council resolves:

- (a) after consultation with Waverley Borough Council, to end the current arrangement for sharing senior staff as quickly as possible.
- (b) to review “Job Sharing” contracts rapidly, so as to bring them under the sole managerial authority of GBC.
- (c) to ensure that all future senior appointments are dedicated appointments solely for the benefit of GBC.”

17. NOTICE OF MOTION DATED 29 SEPTEMBER 2023: MANAGEMENT OF HOUSING MAINTENANCE CONTRACTS AND THE HOUSING REVENUE ACCOUNT

In accordance with Council Procedure Rule 11, Councillor Matt Furniss to propose, and Councillor Philip Brooker to second the following motion:

“This Council is extremely concerned to hear of yet more financial irregularities taking place, this time around a Council Housing Maintenance Contract.

Again, it follows a lack of financial controls and political oversight by this Council over the past four years which has led to the significant financial issues this Council now faces.

Therefore, this Council resolves:

- (1) That the Department for Levelling Up, Housing and Communities (DLUHC) be requested to send in a Best Value Commissioner no later than four weeks from today, to independently assess the Housing Contracts and management of the Housing Revenue Account at Guildford Borough Council.
- (2) That all documentation be transparently published for the public to be able to see the extent of the challenges faced by the Council”.

18. NOTICE OF MOTION DATED 29 SEPTEMBER 2023: VOTE OF CONFIDENCE IN THE LEADER OF THE COUNCIL

In accordance with Council Procedure Rule 11, Councillor Philip Brooker to propose, and Councillor Bilal Akhtar to second the following motion:

“Guildford Borough Council is experiencing significant financial issues with respect to being able to set a balanced budget for years 2024 – 2025 and beyond, with the realistic prospect that a section 114 notice (insolvency) may have to be issued next year. This situation appears to have primarily been brought about through the erosion of reserves since 2019.

Further, there have been recent disturbing disclosures within the Housing Revenue Account (HRA). These disclosures indicate that a contractor has overrun his contract value by several million pounds. Councillors have only been made aware of this vast overspending in mid-September 2023. It has to be said that such astronomic differences between contract value and authorised payments would have been well documented with detailed reasons given in virtually any other commercial organisation. However, within Guildford Borough Council, it seems to have taken senior officers and controlling portfolio holders by surprise, indicating a total breakdown in all types of financial control and management.

The current Leader of the Council was in office as Leader for part of the coalition administration and was also the portfolio holder for Housing for the whole of the period covering the excess payments being made within the HRA; she is deeply associated with these debacles.

Therefore, this Council expresses no confidence in the current Leader of the Council and Portfolio Holder for Housing, and requires her immediate resignation.”

This page is intentionally left blank

GUILDFORD BOROUGH COUNCIL

Minutes of an extraordinary meeting of Guildford Borough Council held in the Council Chamber, Millmead House, Millmead, Guildford, on Wednesday 30 August 2023

The Mayor, Councillor Masuk Miah
* Councillor Sallie Barker MBE (in the chair)

- | | |
|--------------------------------|----------------------------------|
| * Councillor Bilal Akhtar | * Councillor Steven Lee |
| * Councillor Phil Bellamy | Councillor Sandy Lowry |
| * Councillor Dawn Bennett | * Councillor Richard Lucas |
| * Councillor Joss Bigmore | * Councillor Julia McShane |
| * Councillor David Bilbe | * Councillor Richard Mills |
| Councillor Honor Brooker | * Councillor Carla Morson |
| * Councillor James Brooker | * Councillor Danielle Newson |
| Councillor Philip Brooker | * Councillor Patrick Oven |
| * Councillor Ruth Brothwell | Councillor George Potter |
| * Councillor Yves de Contades | * Councillor Maddy Redpath |
| * Councillor Amanda Creese | * Councillor Merel Rehorst-Smith |
| Councillor Geoff Davis | * Councillor David Shaw |
| * Councillor Jason Fenwick | Councillor Joanne Shaw |
| * Councillor Matt Furniss | * Councillor Katie Steel |
| Councillor Angela Goodwin | * Councillor Howard Smith |
| * Councillor Lizzie Griffiths | * Councillor Cait Taylor |
| * Councillor Gillian Harwood | * Councillor Jane Tyson |
| * Councillor Stephen Hives | * Councillor James Walsh |
| * Councillor Catherine Houston | * Councillor Fiona White |
| * Councillor Tom Hunt | * Councillor Dominique Williams |
| Councillor Bob Hughes | * Councillor Keith Witham |
| * Councillor James Jones | * Councillor Sue Wyeth-Price |
| * Councillor Vanessa King | Councillor Catherine Young |

*Present

Honorary Freeman Keith Churchouse was also in attendance.

CO38 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of The Mayor, Councillor Masuk Miah, and Councillors Dawn Bennett, Honor Brooker, Phillip Brooker, Geoff Davis,

Angela Goodwin, Bob Hughes, Sandy Lowry, George Potter, Joanne Shaw, and Catherine Young, and from Honorary Aldermen Catherine Cobley, Jayne Marks, Terence Patrick, Tony Phillips, Lynda Strudwick, and Jenny Wicks.

CO39 DISCLOSURES OF INTEREST

There were no disclosures of interest.

CO40 MINUTES

The minutes of the meeting of the Council held on 25 July 2023 were approved as a correct record. The Deputy Mayor signed the minutes.

CO41 MAYOR'S COMMUNICATIONS

On behalf of the Mayor, the Deputy Mayor thanked everybody who attended the Guildford Cricket Festival on Sunday 20 August. The Mayor had said that it was a wonderful day and a great game to watch.

The Mayor also wished to remind councillors about the forthcoming Mayor of Guildford's Charity Adult Football Tournament to be held on Sunday, 10 September from 10am to 3pm at Stoughton Recreation Ground. All were welcome to come along to this community event, which would include a barbecue, Indian food and drink, a bouncy castle, face painting, classical Indian dance demonstrations, and other entertainment.

CO42 LEADER'S COMMUNICATIONS

Heritage Open Days 2023

This year's Heritage Open Days would take place from Friday 8 to Sunday 10 September, and had been kindly sponsored by Charles Stanley Wealth Managers. The event had also received £1,000 from the UK Government through the UK Shared Prosperity Fund.

All the locations with events over the Heritage Open Days weekend offered free entry, many of which were allowing free access to areas that were otherwise closed to the public.

This diverse programme of events would include:

- walks and talks by the award-winning Guildford Town Guides
- museums and churches
- educational institutions
- galleries
- historic buildings

- a free family trail in town

Car Free Day 2023

Guildford's Car Free Day would be held on Sunday 24 September between 10am and 4.30pm. It would be a day of celebrations and free family fun promoting a 'Greener Guildford' supported by the UK Shared Prosperity Fund.

Events planned would include market stalls, street food, live music and street play for children, together with lots of information and activities about how residents can help tackle climate change and be part of a 'Greener Guildford'.

Ash Road Bridge drop-in sessions

Drop-in sessions would be held next month for residents in Ash who would like to find out more about the construction of the Ash Road Bridge. The sessions would be held at the Small Hall at the Ash Centre, on:

- Thursday 21 September 2023 from 3pm to 8pm
- Friday 22 September 2023 from 3pm to 8pm

Residents could be directed to the Ash Road Bridge page on the Council's website, which would be updated regularly during the construction of the bridge.

In response to a question as to the cost to the Council of the Car Free Day on 24 September 2023, taking into account funding from the UK Shared Prosperity Fund, the Leader indicated that the details would be circulated.

The following questions were asked about the Ash Road Bridge drop-in sessions:

- (a) Who would be attending the drop-in sessions?

Response: Representatives of Volker Fitzpatrick and the Council (including the Deputy Leader and Lead Councillor for Regeneration) would be present.

- (b) Will councillors be informed of the questions asked by the public at the drop-in sessions, and the answers given?

Response: The project team would seek to capture frequently asked questions that arose during the day. However, no assurance could be given that every question and response would be captured. Responses to frequently asked questions would be uploaded to the Council's website.

- (c) Will ward councillors be provided with the information on the presentation in advance?

Response: Although the detail of the presentation had not yet been finalised, officers could share designs and the materials intended for presentation at the drop-in sessions with ward councillors in advance.

- (d) How will the Council ensure that residents unable to attend either drop-in session are kept informed in a timely manner?

Response: Residents unable to attend could access a specific website which would contain all the relevant information. It was also anticipated that further letter drops to residents would be made as the project progressed. It was also understood that Volker Fitzpatrick had provided an e-mail address for residents with specific questions to ask.

CO43 PUBLIC PARTICIPATION

No requests to speak or ask a question had been received from the public.

CO44 QUESTIONS FROM COUNCILLORS

No questions on notice had been received from councillors.

CO45 FINANCIAL RECOVERY PLAN - UPDATE REPORT

Councillors were reminded that, at its budget meeting in February 2023, the Council approved the 2023-24 budget with a £3.3m shortfall which required further work to remove this gap, with the fallback position being the deployment of usable reserves.

The delayed audit of the 2020-21 accounts had identified errors relating to accounting for COVID grants and the Collection Fund, which took place in 2021. These were both sums which were due to be repaid to the Government in 2021-22 rather than sums which were available for use by the Council. This meant that the level of usable reserves was around £20m less than had been thought when the 2023-24 budget was set.

There had been an overspend of £6.4m on the General Fund budget outturn position for 2022-23, and this had therefore further reduced the sums available to the Council.

An updated Medium Term Financial Plan (MTFP) position had been presented to the Council at its meeting on 25 July 2023, which had set out the key issues and the position in which the Council was now left, which was a remaining in-year deficit of £1.7m and a budget gap of £18.3m over the MTFP period to 2026-27.

The report had therefore concluded that the Council was facing a potential s114 report if actions were not agreed to bring this situation back in to balance by October 2023.

The October report would set out the significant work required to avoid the other potential s114 trigger-point which was the statutory requirement to set a balanced budget in February 2024.

Over the past year, the Council had commissioned several due diligence workstreams to examine the issues identified in more detail. This had been done through a number of expert organisations such as the Chartered Institute of Public Finance & Accountancy (CIPFA), LG Futures, Arlingclose, and Savills, together with additional interim and experienced support within the Finance Team.

This work had helped to clarify the current position and set the baseline from which the Council now needed to work. It had also provided options for the Council to consider. Consideration and then implementation of these options would form an integral part of the Financial Recovery Plan.

The latest work completed was a review of the 2022-23 outturn position and Period 4 monitoring against the revised budget used for the July 2023 MTFP update. This had shown that a number of the key areas of overspend in 2022-23 were continuing in the current financial year and had the potential to take the Council into a far greater in-year deficit than the £1.64m set out in the July 2023 report.

Whilst a fully developed recovery plan would be presented to Council in October, sufficient work had been completed to provide an update report to this meeting. The first issue of the Financial Recovery Plan had set out some immediate actions to help reduce the in-year deficit, the workstreams proposed to aid development of the next MTFP and a work schedule for improvements in the financial procedures and processes within the Council.

The Lead Councillor for Finance and Property, Councillor Richard Lucas, proposed and the Leader of the Council, Councillor Julia McShane seconded the motion to endorse the first issue of the Financial Recovery Plan.

During the debate, the following concerns were expressed:

- Whether the Financial Recovery Plan, at this stage, should be “endorsed” given that the implications of certain workstreams were not yet known.
- The need for urgency around implementation of the workstreams and securing the necessary savings.

- The scale of the areas of work described within the financial services workstream to improve the financial governance within the Council.

Having considered the motion, the Council

RESOLVED: That the Council

- (1) endorses the first issue of the Financial Recovery Plan attached as Appendix 1 to the report submitted to the Council; and
- (2) notes that a fully developed plan will be presented to the Council in October 2023.

Reason:

To enable the Council to protect the current level of reserves and to set a balanced budget and a robust Medium-Term Financial Plan.

CO46 APPOINTMENT OF INTERIM SECTION 151 OFFICER

Mr Richard Bates left the meeting for the consideration of this item of business.

The Council noted that Section 151 of the Local Government Act 1972 required local authorities to make arrangements for the proper administration of their financial affairs and to appoint a S151 Officer, also known as a Chief Finance Officer, to have responsibility for those arrangements.

Due to the departure of Peter Vickers, the current Executive Head of Service and Section 151 Officer, a replacement appointment was required to ensure that both councils could continue to meet their statutory requirements.

The nature of the recruitment market and timescales to appoint to the permanent role and also ensure both councils had the S151 Officer in place meant that both an interim and permanent appointment solution were required.

Interviews and technical assessments were carried out with shortlisted candidates for the interim appointment, and the successful candidate for the role was identified as Richard Bates.

Due to the requirement to provide continuity, Mr Bates had been appointed to the interim role of Executive Head of Finance on 17 July 2023; however, approval to the S151 element of the role was required from both councils on the formal recommendation from the Joint Appointments Committee (JAC).

At its meeting held on 14 August 2023, the JAC had recommended unanimously to both councils that Richard Bates be appointed as the Interim Section 151 Officer.

The Leader of the Council, Councillor Julia McShane proposed and the Deputy Leader, Councillor Tom Hunt, seconded a motion to appoint Mr Bates as the Interim Section 151 Officer.

During the debate, councillors asked for details of the length and cost of the contract with Hays and information regarding the turnover of Chief Finance Officers in recent years. The Council was informed that the contract was for six months and that details of the cost and information regarding turnover would be circulated to all councillors.

The Council also noted the structural arrangement at Guildford whereby the role of Section 151 Officer was covered at the Executive Head of Service level rather than as a director. This was not an unusual arrangement in local government and the Chief Executive assured the Council that the Section 151 Officer had a direct reporting line to the Chief Executive in respect of the discharge of their statutory functions.

Having considered the motion, the Council

RESOLVED: That Richard Bates be appointed as the Interim Section 151 Officer for Waverley Borough Council and Guildford Borough Council.

Reasons:

- Section 151 of the Local Government Act, 1972 required that local authorities have in place arrangements for the proper administration of their financial affairs.
- Richard Bates was a qualified Accountant and experienced local authority Chief Finance Officer. He had held the S151 Officer role at Dorset County Council and interim S151 Officer at Mendip District Council.

CO47 WEYSIDE URBAN VILLAGE DELEGATIONS

Councillors noted that, in January 2023, the Council had approved a series of recommendations to enable the delivery of the Weyside Urban Village to continue whilst further work was undertaken to consider all mitigation options available to address the potential forecast financial deficit. The recommendation

included specific reference to this information being considered by Full Council in July 2023.

The Council was informed that it had not been possible to submit a report to Council in July 2023 due to ongoing work by Officers on the mitigation options. The Council considered a report which sought to regularise the delegations required to continue the delivery of the project in advance of the aforementioned report and financial forecast being considered by Full Council later this year.

Upon the motion of the Deputy Leader of the Council, Councillor Tom Hunt, seconded by the Leader of the Council, Councillor Julia McShane, the Council

RESOLVED: That the Council agrees

- (1) To the continuation of the project until Officers have completed the required due diligence outlined in the 16 January 2023 report, as follows, and reported back to Full Council later this year:
 - To provide alternative risk assessed option appraisals other than to proceed with the original Full Council approved scheme, including all possible mitigations and alterations to the current funding and specifications, indicating by use of a range of values where specific data is not available, and a full explanation of assumptions with reasons, sufficient to enable Members to make a fully informed decision on how it wishes to proceed.
 - To update the project with the latest assumptions, indices and valuations and report back to Council.

- (2) To delegate to the Strategic Director of Place, in consultation with the Lead Councillor for Regeneration, and Lead Councillor for Finance and Property, authority to enter into such other contracts and legal agreements connected with Weyside Urban Village as may be appropriate in compliance with Procurement Procedure Rules and within the approved budget.

Reasons:

- To ensure that statutory service agreements and construction contracts can be entered in to for the delivery of services and infrastructure for the development and to ensure that Homes England Housing Infrastructure Fund (HIF) milestones are achieved.

- To ensure that the Council can perform its obligations under the Thames Water Utilities Limited (TWUL) agreement.

Item of Urgent Business

In accordance with Section 100B(4) Local Government Act 1972, the Mayor agreed that this matter should be considered at this meeting as an item of urgent business by virtue of the special circumstances described below.

Special Circumstances

The special circumstances in this matter, that has led the Mayor to agree to take the matter as an urgent item at this meeting, despite the item being open to public inspection for 3 clear days before the meeting, rather than 5, are:

- (a) that previous advice given by external solicitors advising that work relating to Weyside could continue under the previous delegations as there was an implicit authority had been reviewed by the Council's internal solicitors, who did not share the same view; and
- (b) In light of the need for additional contracts and agreements to be signed in order to comply with the Council's obligations in advance of a further report being presented to Council later this year, this report needed to be considered on an urgent basis.

The meeting finished at 7.51 pm

Signed
Mayor

Date

This page is intentionally left blank

Guildford Borough Council

Report to: Council

Date: 10 October 2023

Ward(s) affected: All

Report of Director: Chief Financial Officer (s151)

Author: Richard Bates, Interim Executive Head of Finance and Section 151 Officer

Tel: 01483 444026

Email: Richard.bates@guildford.gov.uk

Lead Councillor responsible: Richard Lucas (Finance and Property), Julia McShane (Leader)

Email: Richard.lucas@guildford.gov.uk

Report Status: Open

Financial Recovery Plan – October Update Report

1. Executive Summary

- 1.1. GBC agreed the 2023-24 budget in February 2023 with a £3.3m shortfall requiring further work to remove this gap, with the fallback position being the deployment of usable reserves.
- 1.2. The delayed audit of the 2020-21 accounts identified errors relating to accounting for COVID grants and the Collection Fund, which took place in 2021. These were both sums which were due to be repaid to the Government in 2021-22 rather than sums which were available for use by the Council.
- 1.3. The impact of this was that the level of usable reserves was around £20m less than had been thought when the 2023-24 budget was set in February 2023.

- 1.4. The budget outturn position for 2022-23 was an overspend of £6.4m on the General Fund and this has therefore further reduced the sums available to the Council.
- 1.5. An updated MTFP position was presented to the Council in July 2023 which set out the key issues and the position in which the Council was now left. In summary this was a remaining in-year deficit of £1.7m and a budget gap of £18.3m over the MTFP period to 2026-27.
- 1.6. The report therefore concluded the Council is facing a potential s114 report if actions are not agreed to bring this situation back in to balance. The deadline set for this was October 2023 and the progress to date is addressed within this report.
- 1.7. The s151 officer has concluded that sufficient progress has been made to avoid the need for a s114 report to be issued at this point but that significant work is still required to produce a balanced budget for 2024-25 and beyond.
- 1.8. This report will be considered by the Executive at its meeting on 5 October 2023. The Executive will be invited to consider the Recommendation in paragraph 2 below. Details of the Executive's comments and recommendation will be included on the Order Paper.

2. Recommendation to Executive

That the Executive:

- 2.1 approves the second issue of the Financial Recovery Plan and recommends that it is endorsed by Council.
- 2.2 Approves the discontinuation of the Parish Councils Concurrent Functions Grants scheme from 1 April 2024.
- 2.3 Notes that the s151 officer has advised that sufficient progress has been made in the current financial year to avoid a s114 report being issued at this stage.

3. Recommendation to Council

That the Council endorses the second issue of the Financial Recovery Plan as set out in Appendix 1 to this report.

4. Reason for Recommendation:

- 4.1 To enable the Council to protect the current level of reserves and to set a balanced budget and a robust Medium-Term Financial Plan.

5. Exemption from publication

- 5.1 None

6. Purpose of Report

- 6.1 This report sets out second issue of the Council's Financial Recovery Plan for endorsement by the Executive.
- 6.2 Key areas of the report deal with progress achieved to date in addressing the in-year position and the MTFP budget gap, and progress in establishment of the budget and finance workstreams.

7. Strategic Priorities

- 7.1 The budget underpins the Council's strategic framework and delivery of the Corporate Plan

8. Background

- 8.1 The Council agreed the MTFP in February 2023 but with further work required at that stage to remove the need for reserves and balances to be used to close the in-year budget gap.
- 8.2 A number of issues were identified during the audit of the 2020-21 statement of accounts which led to the usable reserves of the Council being restated at a level of around £20 million less than previously reported.

- 8.3 Significant due-diligence work was undertaken to establish the baseline position and an updated General Fund budget was presented to Council in July 2023. This set out the gravity of the current financial position and raised the possibility of the Council issuing a s114 report if insufficient action was taken.
- 8.4 A first issue of the Financial Recovery Plan was agreed by Council in September and a lot of work has been done since that point on both the immediate actions agreed and the workstreams to deal with the budget gap and finance service improvements.
- 8.5 The details of the work to date are set out in the second issue of the Financial Recovery Plan which is attached at Appendix 1. Potential savings areas in both the current and future years are set out in Appendix A of the Plan.

9. Parish Grants Scheme

- 9.1 One of the potential savings areas considered by the Financial Recovery Executive Working Group (FREWG) was whether to continue to offer grants to parish councils.
- 9.2 This issue had been considered in the past and the budget gradually reduced from £114k in 2015-16 to £90k at present.
- 9.3 Most councils who offered these grants in the past have ceased them due to financial pressures and the fact that parish councils have no cap on their own precept and can therefore raise funds in their locality for local schemes.
- 9.4 The recommended action from FREWG was to honour existing grant agreements, which can cover 2 financial years, but that no new grants would be provided.
- 9.5 Communications have gone out to parish councils and councillors to inform them that new parish grants will cease subject to the agreement of the recommendation within this report.

10. Consultations

- 10.1. The Financial Recovery Executive Working Group has been updated and consulted during the development of the original and updated plan.

11. Key Risks

- 11.1. With depleted reserves, the key risk for the Council in the current financial year is that insufficient action is agreed to address the projected overspend which would have to be met from the remaining reserves and would further worsen the financial resilience of the Council, making a s114 position more likely.
- 11.2. The projected budget gap over the MTFP period is £18.3m and plans need to be developed to address this so that a balanced and robust budget can be agreed in February 2024.

12. Financial Implications

- 12.1 The recommended actions within the Financial Recovery Plan will help to reduce the in-year projected overspend and the MTFP budget gap.

13. Legal Implications

- 13.1 Section 151 Local Government Act 1972 requires the Council to make arrangements for the proper administration of their financial affairs and to secure that one officer has the responsibility for those affairs (the s151 officer).
- 13.2 The Council's legal duty to set a balanced budget is set out in section 31 Local Government Finance Act 1992, which provides that the Council must balance its expenditure with its revenue.
- 13.3 Section 114(3) Local Government Finance Act 1988 requires that: "The chief finance officer of a relevant authority shall make a report under this section if it appears to him that the expenditure of the

authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.”.

- 13.4 The Council must continue to act lawfully in making decisions on service delivery, regardless of any s114 report. There continues to be a requirement to conduct needs assessments, undertake consultation where appropriate, assess and have regard to equalities implications, and take into account all other relevant considerations to inform their decisions about service delivery.

14. Human Resource Implications

- 14.1 The Council is required to reduce operational and service delivery costs immediately. The immediate measures set out in the September Financial Recovery Plan halted most recruitment, and this will be kept under review. This is therefore impacting workforce matters, including the recruitment of directly employed staff, as well as contingency workers, i.e., agency staff, interims, and consultants, although the risks of doing so will have to be considered before individual decisions are taken.
- 14.2 Arrangements are in place for the consideration of exceptional cases, for example where there are significant Health and Safety risks or the risk of statutory requirements not being met.
- 14.3 The Council will ensure careful and consistent communications to staff and unions and has drafted a communications plan to deliver this.

15. Equality and Diversity Implications

- 15.1 None at this point but will be considered as options are appraised in due course.

16. Climate Change/Sustainability Implications

16.1 None at this point but will be considered as options are appraised in due course.

17. Summary of Options

17.1 Options will be developed through the workstreams set out within the Financial Recovery Plan and brought forward to councillors for decision as appropriate.

18. Conclusion

18.1 The second edition of the Financial Recovery plan sets out:

- Progress on the immediate actions agreed in the first issue of the Plan in helping to constrain expenditure in the current financial year;
- The progress to date has allowed the s151 officer to gain sufficient assurance to remove the need for a Section 114 report at this stage;
- An update on the progress in meeting the delivering a balanced budget for 2024-25 and the establishment of the budget workstreams;
- An update on the Finance function workstream.

19. Background Papers

General Fund Budget Update – Council 25 July 2023

20. Appendices

Appendix 1: Financial Recovery Plan 26 September 2023 (2nd Edition)

This page is intentionally left blank

Guildford Borough Council

Financial Recovery Plan

2nd Edition – 26 September 2023

October update

1. Background

- 1.1. GBC agreed the 2023-24 budget in February 2023 with a £3.3m shortfall requiring further work to remove this gap, with the fallback position being the deployment of usable reserves.
- 1.2. There is a national backlog in the audit of statements of accounts and GBC were in a position where the last set to be signed off were for 2019-20. Two sets of accounts had therefore not been audited.
- 1.3. Audit of the 2020-21 accounts identified errors relating to accounting for COVID grants and the Collection Fund, which took place in 2021. These were both sums which were due to be repaid to the Government in 2021-22 rather than sums which were available for use by the Council. To be clear, these funds were correctly used by the Council and the balance repaid correctly, but an incorrect sum was attributed to unearmarked reserves. It is therefore not correct to say that GBC “lost” any amount or that it is still to be found to satisfy the conditions of the grants.
- 1.4. The impact of this was that the level of usable reserves was around £20m less than had been thought when the 2023-24 budget was set in February 2023.
- 1.5. The budget outturn position for 2022-23 was an overspend of £6.4m on the General Fund and this has therefore further reduced the sums available to the Council.
- 1.6. An updated MTFP position was presented to the Council in July 2023 which set out the key issues and the position in which the Council was now left. In summary this was a remaining in-year deficit of £1.7m and a budget gap of £18m over the MTFP period to 2026-27.
- 1.7. The report therefore concluded the Council is facing a potential s114 report if actions were not agreed to bring this situation back in to balance. The first Financial Recovery Plan was endorsed by Full Council in September and this report updates upon the position detailed at that time.

- 1.8. Further significant work is still required to avoid the other potential s114 trigger-point which is the statutory requirement to set a balanced budget in February 2024.

2. Current Position

- 2.1 Previous work feeding into both the July and September reports identified that the current year overspend risk was around £2.6m, with a number of remaining uncertainties.
- 2.2 The work undertaken to date has already identified around £3m of potential savings and additional income in the current year. Work will still continue to increase this sum due to on-going cost pressures and the need to achieve an underspend, if possible, to help increase the Council's reserves position.
- 2.3 A first draft of this year's budget monitoring report has now been produced and this is being reviewed to ensure that it is both accurate and that the potential savings identified are deliverable against the reported position.
- 2.4 Additional controls have been developed to control the staffing establishment against the agreed budget but further work is still required on reviewing agency and contractor spend and ensuring all budgets are accurate.
- 2.5 Alternative contract options are being examined to help reduce the current pressure on utility costs. A sum of £500k has also been bid for from Sports England towards the utility costs at the leisure centres.
- 2.6 No significant additional issues have been identified at this point and the work done to date has reduced the potential overspend risk around staffing and contractors' costs.

3. Progress on September's Report Actions

Establishment Control

- 3.1 The system proposed in September is now in place and working well, with exceptions being considered by the Financial Control Panel as

appropriate. This will continue whilst the due diligence on the budget monitoring position is carried out and will be kept under review.

- 3.2 The impact of holding vacancies on the remaining staff will continue to be monitored closely by the Executive Heads of Service and Directors.

Agency / Interims / Consultancy

- 3.3 The full list of agency and interim staff and consultancy support has now been produced and will be reviewed over the next few weeks.

Non- Essential / Discretionary Expenditure

- 3.4 Meetings have now been held between finance staff and 8 of the Executive Heads of Service to review budgets on a line by line basis. The remaining 4 meetings will be held over the next fortnight.
- 3.5 These meetings have produced a number of potential savings areas in both the current year and future years. Some of these savings are one-off or of a short term nature and others are potentially on-going savings. A number of the on-going savings will require approval by the Council particularly where they have significant service / reputational implications.
- 3.6 A Financial Control Panel (FCP) has now been established which is reviewing discretionary expenditure requests and exceptions from the vacancy freeze. The membership and Terms of Reference for the Panel are set out in Appendix B
- 3.7 A cross-party Financial Recovery Executive Working Group has also been established to consider progress of the Financial Recovery Plan, sensitive issues and to help review and develop options for further savings areas. The membership and Terms of Reference for the Executive Working Group are set out in Appendix C.

4. Actions underway to deliver the 2024-25 Budget and MTFP

- 4.1 The Council is having to focus its time and resources on the delivery of the Financial Recovery Plan over the next 6 months, culminating in agreeing a legally compliant MTFP in February 2024.

- 4.2 A number of workstreams have now been established which will help in balancing the budget for 2024-25 and reducing the MTFP budget gap.
- 4.3 Alongside this, work is also being done to identify any additional budgetary pressures which would need to be factored in.

Review of Capital Programme

- 4.4 The existing capital programme is being reviewed in terms of the agreed projects, updates to cost projections and their timing.
- 4.5 Reductions in the programme would reduce future borrowing costs. Delays in projects will delay the cost of borrowing.

Asset disposals

- 4.6 A review is underway of all of the Council's assets with a view to determine which if any of them may be suitable for disposal. A number of initial RAG ratings has been developed in relation to property condition, service usage, finance and valuation to help reduce the overall asset list to one which can be properly considered. Work is still required to refine this list and provide disposal valuations to supplement the current accounting valuations.
- 4.7 Capital receipts from asset disposals will either contribute towards repaying existing borrowing or reducing the need for future borrowing.
- 4.8 A further consideration will be the opportunity for any capital receipts to be set aside to fund future transformation work, for example in relation to the collaboration with Waverley Borough Council. This would be possible under the current "Capital Receipts Flexibilities" allowed by the government for transformation spend. This would reduce the need to use reserves to meet these costs but would then not be available for reducing borrowing costs. This will need to be considered in relation to the overall budget position once a disposal list has been agreed.

Housing Revenue Account

- 4.9 The HRA is separate to the General Fund but there are both recharges to the HRA and also interest payable to the HRA from the General Fund. There is a legal requirement not to subsidise the General Fund from the HRA but the current arrangements are being reviewed to ensure that the cross-charging are both fair and appropriate in relation to the regulations.

Treasury Management

- 4.10 Need to revise the treasury management strategy in line with the updated capital programme, HRA review and interest rate projections.
- 4.11 Also need to develop a long-term plan to deal with the future borrowing needs associated with Weyside Urban Village.
- 4.12 Aim to reduce the Council's interest and MRP commitments (whilst remaining prudent) and also provide a degree of certainty / risk management.

Insurance

- 4.13 Looking at the potential to join a local authority collaborative scheme which could be for 2025-26.
- 4.14 This would potentially provide savings compared to current policy costs and release the £500k insurance reserve.
- 4.15 In the short term, we are reviewing our insurance cover and excess levels which may help to reduce policy costs.
- 4.16 It is however important to note that with higher excesses, the sums under the excess would be borne by the Council and good risk management would be vital to secure overall savings.

Service reviews / delivery options

- 4.17 Options for future collaboration with Waverley BC will be developed once the Council is on a sound financial footing.

- 4.18 Other options for service delivery need to be considered for example establishing a Teckal company or outsourcing contract delivery in some areas where savings are deliverable.
- 4.19 These options would help reduce costs but they also may have long lead times and could require initial investment

Policy change options

- 4.20 We are looking at policies which we have scope to amend such as the LCTS scheme, MRP etc.

Income generation

- 4.21 A review of car parking charges is already underway.
- 4.22 A national announcement has been received that Planning fees will increase from 2024/25. The impact of this needs to be calculated.
- 4.23 For other fees and charges, some are fixed nationally but everything else can. be reviewed / benchmarked and there is the potential in many cases to increase to full cost recovery.
- 4.24 This has the potential to provide additional service income but the potential loss of custom will also need to be considered.

Partnership working

- 4.25 The support to parish councils, the 3rd sector and other bodies (e.g. LEP/ SCC / LGA etc.) need to be reviewed.
- 4.26 This could lead to cost reductions but may also provide a better service through definition of services to be provides through SLAs.

Contracts / procurement

- 4.27 Work has been commenced to understand and target large contracts and the highest supplier spend.
- 4.28 Work is also planned to map the contract renewals pipeline to the MTFP period so as to enable alternatives / options to be properly considered.

- 4.29 The procurement team is currently looking at the energy contract with a view to alternative procurement options. From early market engagement, it would appear that the current overspend risk could be removed.
- 4.30 We will be aiming to negotiate cheaper contracts, manage our suppliers and through forward planning, allow for competitive procurement rather than rushed procurement processes.

Additional Support to deliver the Recovery Plan

- 4.31 A budget of £800k was agreed in July to help deliver the Financial Recovery Plan.
- 4.32 Commitments have already been made against this to fund additional senior officer support within the Finance function and also for a number of external reviews / due-diligence reports.
- 4.33 The workstreams set out above will also require support which is currently being evaluated in detail. This will cover a number of disciplines including HR, legal, finance, valuation and project management. These will be included in future updates.

5. Financial Services Workstream

- 5.1 Alongside the budget savings workstreams, an additional workstream has been established across the Council's Finance function.
- 5.2 Work is now well underway to: -
- Establish rigorous establishment control processes.
 - Ensure reporting is available in a timely, accurate and consistent manner and appropriate for each audience (e.g. Budget holders, Managers, JMT, CMB, s151, Councillors)
 - Ensure the Council reports "one version of the truth" with everything in the finance system which is used for all financial reporting.
- 5.3 Further work is still required to: -

- Engender budget ownership, with clear and accurate information provided so that budget holders can understand their budgets and be held responsible for them.
- Produce a budget book to enhance transparency of Council spending.
- Establish a process of regular in-year reconciliations to avoid surprises and speed up closedown.
- Remove the industry of internal recharging except where necessary (e.g., HRA, capital)
- Actively manage the Council's debts.
- Review Financial and Contract Procedure Rules

6. Potential Savings Identified to date

2023-24

- 6.1 The initial work undertaken to date on vacancy management and service budget reviews has identified a significant number of savings which are set out in Appendix A.
- 6.2 Some of these savings are secured and should be sufficient to cover the budget shortfall in the current year, allowing for known risks. The risk of a s114 report in October 2023 has therefore been removed.
- 6.3 There are also further savings opportunities identified which need further investigation to ensure they are acceptable to the Council and deliverable. Work will continue on these.

2024-25 and Beyond

- 6.4 Some potential savings have also been identified which will help to close the budget gap for 2024-25 and beyond. These are also shown in Appendix A.
- 6.5 The output from the established workstreams will contribute further to this work.
- 6.6 Further work is still likely to be required to remove the £18m budget gap projected for the end of the MTFP period.

- 6.7 There are also still additional pressures beyond the MTFP period associated with the borrowing costs of the Weyside scheme. Options for dealing with this will also be considered in due course.

Appendix A – Potential Savings Opportunities

Financial Recovery Plan - Savings Tracker	2023-24	2024-25	2025-26	2026-27	
	£'000	£'000	£'000	£'000	Notes
Budget gap	1,614				23/24 budget gap
Salary adjustments for in year vacancies	(391)	0	0	0	one-off
Council Tax deficit	140	0	0	0	on-going but will change each year
Economic Development - posts held vacant (23/24)	(100)	0	0	0	one-off
Regen / planning policy	(90)	0	0	0	one-off
Spectrum income	(66)	(90)	(90)	(90)	on-going
PCNs - increase after cessation of on-street	(40)	(80)	(80)	(80)	on-going extra income net of system cost in 23-24
Car Parks – c£490k had been taken out of budget due to N Street dev	(490)	0	0	0	potentially ongoing pending north st development
Car parks - income above budget	(460)	(460)	(460)	(460)	on-going
Park and Ride allocation for re-opening Onslow	(139)	0	0	0	one-off. SCC paid minimal costs
Feasibility Studies	(53)	0	0	0	one-off but review if any can continue
Climate change uncommitted sum	(131)	0	0	0	one-off but review if any can continue
MRP reduction from slippage on scheme completion	(168)	(168)	(168)	(168)	on going - delayed scheme completion
Treasury Management - HRA interest not required on HRA capital receipts and capitalisation of re-gen interest	(600)	(600)	(600)	(600)	on-going
Garden Waste Excess Income	(125)	(125)	(125)	(125)	on-going
Parks/ Rangers	(41)	0	0	0	One-off
Risks					
Unbudgeted costs for planning appeals	100	0	0	0	one off but future risk
Increased cost of External Audit	140	140	140	140	ongoing
Unbudgeted Utility costs	900	0	0	0	future costs to be reviewed
Savings taken to balance in year budget	(1,614)	(1,383)	(1,383)	(1,383)	
Potential additional savings					
Unit 4 support	(30)	(100)	0	0	
Irrecoverable VAT	(8)	(8)	(8)	(8)	on-going
Waste Service - Fuel	(70)	0	0	0	one-off, depending on price movements
Parks/ Rangers	(122)	0	0	0	One-off
Street Cleaning	(30)	0	0	0	One-off
Reduced exp following review of 22/23 actual v 23/24 budget	(623)	0	0	0	Future years impact needs further analysis
R&M reduction	(233)	0	0	0	one-off but review if any can continue
Parish grants - £90k saving from 24/25	0	(90)	(90)	(90)	on-going
Car Park Charge review	0	(800)	(800)	(800)	on-going
Waste services changes / charges	0	(150)	(150)	(150)	on-going but further review needed
G-Live retender from Sept 24	0	(137)	(275)	(275)	on-going.
Hanging baskets / green flag	0	(95)	(95)	0	2 year pause
Parks - pre-ordering bulbs	0	(12)	(12)	(12)	on-going
Parish council LCTS	0	0	(100)	(100)	on-going but further review needed
LEP will be SCC function	0	(25)	(25)	(25)	on-going
	(2,730)	(2,800)	(2,938)	(2,843)	
Savings still to be fully reviewed					
Asset disposal - reduced borrowing (£50m?)					Further review needed
Income reviews - full cost recovery					Further review needed
Planning fee national increases					Further review needed
Vacancy Freeze					Further review needed
Capital Programme Review					Further review needed
Insurance review					Further review needed
Service Delivery options e.g. outsource					Further review needed
Collaboration opportunities					Further review needed
Contract management - supplier spend review / targeted reprocurement					Further review needed
	(2,730)	(2,800)	(2,938)	(2,843)	

Appendix B – Financial Control Panel

Membership

Section 151 Officer

Interim Finance Analyst

Joint Strategic Director (Transformation and Governance)

Joint Executive Head of Organisational Development

Executive Head of Commercial Services

Administrative support

Terms of Reference

- To consider requests for exemptions from the vacancy freeze
- To instigate a line-by-line review of service budgets with EHOs.
- To consider and prioritise requests to move to the next stage of capital projects and their financial implications.
- To receive regular updates on the progress of actions outlined within the Financial Recovery Plan.
- To co-ordinate the communications plan with the Comms team.
- To report key issues to the Executive Working Group as appropriate.

Appendix C – Financial Recovery Executive Working Group

Membership

Finance Portfolio Holder

Leader

Deputy Leader

Group Leaders of political groups and/or their nominees

Section 151 Officer and Deputy

Chief Executive

Strategic Director for Transformation & Governance

Terms of Reference

- To receive and comment on regular updates on the council's preparations for the Medium-Term Financial Plan restatement in October and its implementation.
- To provide a sounding board for the Executive and officers on the options that are coming forward to close our projected financial gap.
- To guide wider communication with councillors and beyond.

This page is intentionally left blank

Guildford Borough Council

Report to: Council

Date: 10 October 2023

Ward(s) affected: All

Report of Director: Transformation & Governance

Author: James Dearling, Senior Democratic Services Officer (Scrutiny)

Tel: 01483 444141

Email: james.dearling@guildford.gov.uk

Councillor responsible: Overview & Scrutiny Chairperson, James Walsh

Tel: 07533 767227

Email: james.walsh@guildford.gov.uk

Report Status: Open

Overview and Scrutiny Annual Report 2022-23

1. Executive Summary

- 1.1 This report outlines the work undertaken by overview and scrutiny (O&S) during the past municipal year and its future work programme as thus far developed.
- 1.2 The six decisions taken during the past municipal year under the 'urgency' provisions are listed within the report and detailed at Appendix 2.¹ In 2022-23, the Overview and Scrutiny Committee (OSC) Chairperson agreed to requests to waive call-in on three occasions; no decisions were called-in for consideration by the OSC during the past municipal year.

¹ For this report, urgency provisions refers to the circumstances set out in the Access to Information Procedure Rules 15 (General Exception) and 16 (Special Urgency). See [Guildford Constitution](#), Part 4, Procedure Rules and the preamble to Appendix 2 to this report.

- 1.3 At its meeting on 12 September 2023, the Overview & Scrutiny Committee was asked to:
- (a) consider the issues and topics examined by O&S during 2022-23;
 - (b) consider and approve the future work programme for O&S as developed thus far; and
 - (c) review the operation of provisions relating to call-in and urgency and consider proposals for improvement.
- 1.4 The Committee endorsed the recommendation below.

2. Recommendation to Council

- 2.1 The Council is asked to resolve:
- (1) That this report be commended as the Overview and Scrutiny Annual Report for 2022-23.
 - (2) That the current rules relating to the Council's call-in and urgency provisions remain unchanged, subject to clarification of existing procedures to provide that whenever the special urgency provisions are used to take urgent key decisions in accordance with Access to Information Procedure Rule 16, details of those decisions shall be reported by the Leader to the next ordinary meeting of the Council, rather than annually.
 - (3) That Access to Information Procedure Rule 17.3 be amended as follows:
 - “17.3 Annual Reports from the Leader on Special Urgency Decisions
In any event, the Leader will ~~submit annual~~ reports to the ~~next ordinary meeting of the~~ Council on ~~any the~~ executive decisions taken in the circumstances set out in Procedure Rule 16 (special urgency) ~~in the preceding year~~. The report will include the number of decisions so taken and a summary of the matters in respect of which those decisions were taken.”

3. Reasons for Recommendations:

- 3.1. Article 8.2(d) of the Council's Constitution requires the Council's Overview and Scrutiny Committee to report annually to Full Council on the work undertaken during the year, its future work programme, and amended working methods if appropriate.
- 3.2. There are no changes proposed to the call-in procedure or the urgency provisions at this time.

4. Exemption from publication

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

5. Purpose of Report

- 5.1. This report outlines the work undertaken by the OSC during 2022-23 and its future work programme as developed thus far.
- 5.2. In addition, this report provides an opportunity for the review, and possible amendment through a report to Full Council, of the operation of the provisions relating to call-in and urgency.²

6. Strategic Priorities

- 6.1. The O&S function strengthens the position of the Council to ensure we are able to deliver our strategic priorities. For example, O&S assists the Council in improving services and ensuring we are open and accountable in our decision-making.

² Please note, the Leader of the Council is required by Regulation 19 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 to report to Council at least annually on executive decisions taken in the preceding year under special urgency procedures.

7. Work of the OSC in 2022-23

- 7.1. Overview and Scrutiny Procedure Rule 7 requires the Chairpersons and Vice-Chairpersons of the OSC and the Executive Advisory Boards (EABs) to hold joint work programme meetings. The purpose of these meetings is to exchange, discuss, and agree work programmes for submission to the OSC and EABs respectively. Joint work programme meetings were held remotely on five occasions in the past municipal year (30 June 2022, 7 September 2022, 1 December 2022, 1 February 2023, and 15 March 2023).
- 7.2. The O&S work programme has principally been prepared and progressed through online meetings and discussions between the O&S Chairperson, Vice-Chairperson, OSC members, and the Senior Democratic Services Officer (Scrutiny).
- 7.3. Lead Councillor question sessions continued to feature at OSC meetings in 2022-23 with seven members of the Executive attending, including the Leader of the Council. These sessions gave an opportunity for non-Executive Councillors (and members of the public³) to question a member of the Executive about decisions and performance. Questioning can focus on targets and performance over time; particular decisions, initiatives, or projects; or on a section of a Lead Councillor's portfolio.
- 7.4. The issues and topics considered by the OSC in 2022-23 include:
 - Borough's response to refugees
 - Children and Young People's Emotional Wellbeing and Mental Health Service
 - Safer Guildford Partnership Annual Report 2022
 - Air Quality Strategy workplan
 - Review of the Visitor Strategy
 - Spend on consultants and agency workers
 - Annual report on Council's Procurement

³ The Committee may facilitate the asking of questions submitted in advance by members of the public. Council Constitution, Part 2 (Article 8), section 8.2(b)iii.

- Annual report on Modern Slavery Motion
 - Review of the Council's ownership of Liongate House
 - Council's Customer Services
 - Guildford and Waverley Councils Collaboration
 - Stray Dog Service
 - Performance Monitoring Reports 2022-23: quarterly
 - Review of the Annual Report and Monitoring Arrangements for the Operation of the G Live Contract 2021-22
 - Operation of Leisure Management Contract 2021-22
- 7.5. As a result of needing to adjust its workflow, the Committee held an additional meeting in October 2022. The decision to hold this meeting was not connected to a subsequent decision not to hold the September Committee meeting (due to the period of official mourning).
- 7.6. Issues around the delivery and accessibility of affordable housing in the Borough and improvements to North Down Housing Limited had been identified by the OSC for progression through an in-depth, task and finish group approach. This Affordable Housing task group was expected to report in 2022-23 but due to various difficulties did not. All but one member of the task group either did not stand for re-election or were not elected in May 2023; however, the task group members did identify some potential next steps to pass along to the OSC members.
- 7.7. In what form the issues around the delivery and accessibility of affordable housing in the Borough are taken forward is being considered as part of the O&S work programme for 2023-24. It is understood the work of any new affordable housing task group will need to be focused, with agreed and demonstrable outcomes.
- 7.8. The Joint Executive Head of Housing Services has indicated he will be a lead officer on any new affordable housing task group. Currently, ten O&S Councillors have expressed interest in participating in such a task group.

8. Current and future O&S work programme

- 8.1. Attached at Appendix 1 is the O&S work programme for 2023-24 as developed thus far. This includes a programme of Lead Councillor question sessions, beginning with the Leader of the Council.
- 8.2. The number of OSC meetings scheduled for 2023-24 was affected by the Council's adoption of the Pre-Election Period Publicity Policy; however, the expectation is that additional OSC meetings will be scheduled if needed.
- 8.3. The intention is for a long-term work programme that focuses on items that can make a tangible difference, but one flexible enough to accommodate urgent, short-term issues that arise.
- 8.4. Once re-established, the working groups drawn from non-Executive Councillors to scrutinise the Council's Leisure Partnership Agreement and G Live contracts monitoring are scheduled to report back to the OSC in November 2023 and January 2024 respectively.
- 8.5. The G Live scrutiny working group members will be briefed on the procurement process; in part, so they can provide feedback throughout the procurement process.
- 8.6. The O&S work programme is considered regularly and agreed formally by the OSC. Topics are shortlisted with reference to a P.A.P.E.R. selection tool (attached as Appendix 3).

9. Resourcing O&S

- 9.1. Research suggests the resource allocated to scrutiny is fundamental in determining how effective the function is. The Council has a Senior Democratic Services Officer post dedicated largely to scrutiny and a separate scrutiny budget (of £5,000 p.a.) for external advice and expertise.
- 9.2. The cost of external expertise over the last five years totals £504.30 (expenses for two experts to present to and advise the Committee,

plus commissioning an external researcher to help map the emergency food aid provision in the Borough).

- 9.3. The Council offers induction training and ongoing skills training to Councillors, which has traditionally been facilitated by John Cade from the Institute of Local Government Studies (INLOGOV), University of Birmingham – the most recent being on 23 May 2023 and 6 June 2023. All this training has been extremely well received by councillors and, budget permitting, additional sessions on aspects of overview and scrutiny would be welcome during 2023-24. The 6 June 2023 event was used to explore the importance of the work programme.
- 9.4. The cost incurred over the last 3 years for induction and ongoing O&S training for members is £1893 (consisting of the induction training provided in 2023).

10. Call-in procedure and urgency provisions

- 10.1 The provisions relating to call-in and urgency are monitored on an annual basis and recommendations for changes will be submitted to the Council for consideration if necessary.
- 10.2 Call-in is the power of Overview and Scrutiny to scrutinise a decision by the Leader/Executive or an individual Lead Councillor before it is implemented. The call-in provisions also apply to a key decision made by an officer with delegated authority from the Leader/Executive.
- 10.3 The provisions relating to call-in are specified in the Overview and Scrutiny Procedure Rules contained in the Council's Constitution. The call-in mechanism enables non-Executive councillors to intervene when they feel that a decision being made by the Leader / Executive should be revisited or changed. The effect of call-in is to prevent implementation of a decision until the OSC has examined the decision. The OSC has the power to refer a decision back to the decision-maker or to refer a matter for further review by the Council.

- 10.4 The call-in procedure has not been exercised at the Council in 2022-23, nor was it used in the previous two years. Call-in has seldom been used at Guildford Borough Council: in the 2019-20 municipal year, call-in was used once and prior to this was last exercised in 2012.
- 10.5 The call-in procedure was revised by the Council in October 2014 as part of a review of the Council's Constitution. In 2014, the call-in threshold was increased from three councillors to five, while retaining the call-in power of the OSC Chairperson and increasing the call-in period from 96 hours to 5 working days.
- 10.6 Having considered the statutory guidance on scrutiny⁴ and the current and previously considered approaches to scrutiny at the Council, there are no changes proposed to the call-in procedure at this time.
- 10.7 The urgency provisions are specified in the Access to Information Procedure Rules and further in Overview and Scrutiny Procedure Rule 16(h). These provisions enable key decisions to be taken with less than 28 days' notice: either with at least 5 clear days' notification (as a general exception) or if less than 5 clear days' notice with the agreement of the OSC Chairperson (as a case of Special Urgency).
- 10.8 During 2022-23, the Special Urgency provisions were used on three occasions:
- Midleton Industrial Estate Redevelopment, Director of Resources decision, May 2022.
 - Grant a Protected Lease and a licence to alter of The Rock, 2 Thornberry Way, Slyfield Industrial Estate, Executive Head: Assets and Property decision, September 2022.

⁴ Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities, May 2019:

<https://www.gov.uk/government/publications/overview-and-scrutiny-statutory-guidance-for-councils-and-combined-authorities>

- Investment of Equity Shares in Guildford Borough Council Holdings Limited, Joint Chief Executive decision, September 2022.

10.9 During 2022-23, the general exception provisions were required on three occasions:

- Award of Contract for Cash Collection Services, Director for Service Delivery decision, July 2022.
- Guildford Lido Drainage and Modernisation Project, Executive decision, August 2022.
- Guildford Park Road Redevelopment – Action to Secure Electrical Connections and Capacity for the New Development, Executive decision, December 2022.

10.10 The Chairperson of the OSC agreed to waive call-in on three occasions, as detailed in Appendix 2: the Award of Contract for Cash Collection Services, Guildford Park Road Redevelopment – Action to Secure Electrical Connections and Capacity for the New Development, and the Ash Road Bridge Project tender processes.

11. Financial Implications

11.1 There are no financial implications arising directly from this report.

12. Legal Implications

12.1 This report on the operation of overview and scrutiny has been prepared in accordance with the requirements of the Council's Constitution. In particular, the Council's Overview and Scrutiny Procedure Rule 16(i) requires the operation of the provisions relating to call-in and urgency to be monitored annually and a report submitted to Full Council with proposals for review if necessary and Article 8.2(d) of the Council's Constitution requires the Council's Overview and Scrutiny Committee to report annually to Full Council on the work undertaken during the year, its future work programme, and amended working methods if appropriate.

- 12.2 The Council must 'have regard' to statutory guidance on O&S when exercising and reviewing its O&S function. This means that it is not necessary to follow every detail of the guidance, but it should be followed unless there is good reason not to do so.

13. Human Resource Implications

- 13.1 There are no human resources implications arising from this report.

14. Equality and Diversity Implications

- 14.1 The Council has a statutory duty under section 149 of the Equality Act 2010 which provides that a public authority must, in exercise of its functions, have due regard to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.
- 14.2 This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report.

15. Climate Change/Sustainability Implications

- 15.1 There are no climate change / sustainability implications arising directly from this report.

16. Summary of Options

- 16.1 The Council is asked to consider the issues and topics examined by O&S during 2022-23 and approve the future work programme for O&S as developed thus far. In addition, the Council is requested to review the operation of provisions relating to call-in and urgency.

- 16.2 Time-limited decisions made through urgency provisions can diminish perceptions of transparency and accountability. Key decisions should only be made using urgency provisions as a last resort, in genuinely urgent situations. Members may consider that the intention to make a key decision could reasonably be expected to be identified and published by the Council to comply with the 28-day notice period.
- 16.3 Accordingly, to increase confidence that key decisions are made under the urgency provisions only when there are good reasons for doing so, the Council could approve a minor procedural change, that is to say, that the Leader of the Council reports to full Council on the use of urgency provisions as decisions arise through the year. In practice, this would be via the item on Leader's Communications.

17. Conclusion

- 17.1 Having considered the statutory guidance on scrutiny, together with current and previously considered approaches to scrutiny at the Council, officers recommend no substantive change to call-in or urgency provisions at this time.

18. Background Papers

None.

19. Appendices

Appendix 1: OSC work programme 2022-23.

Appendix 2: Table to show key decisions taken in 2022-23 under urgency provisions and call-in waivers.

Appendix 3: P.A.P.E.R. selection tool.

This page is intentionally left blank

Overview & Scrutiny work programme, 2023-24

11 JULY 2023			
Item	Additional information	Relevant Lead Councillor(s)	Lead officers
Council's Customer Services: Performance and Progress	Committee requested a report on the performance and progression of customer service improvements [Minute OS22 refers, 18 October 2022 OSC].	Cllr Angela Goodwin, Lead Councillor for Engagement and Customer Services	Ian Doyle, Strategic Director of Transformation and Governance, Nicola Haymes, Joint Executive Head of Communications and Customer Service
Performance Monitoring Report 2022-23 (Quarter 4)	Quarter 3 data not available for February OSC and circulated to Committee members by email in early April.	Cllr Carla Morson, Lead Councillor for Community and Organisational Development	Andrea Barnett, Policy Officer. Ian Doyle, Joint Strategic Director, Transformation & Governance
G Live and Leisure Management Scrutiny Working Groups	To approve the re-establishment of working groups to scrutinise the Council's G Live and Leisure Partnership Agreement contracts monitoring and report back to the Committee.	Cllr Catherine Houston, Lead Councillor for Commercial Development	Charlotte Brindley, Leisure Contracts Officer, Kelvin Mills, Executive Head Commercial Services, Ian Doyle, Strategic Director, Transformation & Governance
12 SEPTEMBER 2023			

Item	Additional information	Relevant Lead Councillor(s)	Lead officers
Lead Councillor Question Session	With Cllr Julia McShane, Leader of the Council & Lead Councillor for Housing	Cllr Julia McShane, Leader of the Council & Lead Councillor for Housing	–
Borough’s Response to Refugees	To review the support and services provided. [Minute OS29 refers, 8 November 2022 OSC]	Cllr Carla Morson, Lead Councillor for Community and Organisational Development tbc	Sam Hutchison, Joint Executive Head of Community Services. Annie Righton, Joint Strategic Director, Community Wellbeing.
Safer Guildford Partnership Annual Report 2023	The Committee is required to examine the work of the Partnership and advise on crime and disorder matters of local concern	Cllr Carla Morson, Lead Councillor for Community and Organisational Development	Sam Hutchison, Joint Executive Head of Community Services.
Performance Monitoring Report 2023-24 (Quarter 1)	Period April-June 2023.	Cllr Carla Morson, Lead Councillor for Community and Organisational Development	Andrea Barnett, Policy Officer. Ian Doyle, Joint Strategic Director, Transformation & Governance
Overview and Scrutiny Annual Report, 2022-23	Outlines work of O&S during the past year and its future work programme. Plus, reports decisions taken during the past	Cllr James Walsh, Overview and Scrutiny Chair	James Dearling, Senior Democratic Services Officer – Scrutiny

	year under the urgency provisions, the use of call-in, and proposed changes to call-in or urgency procedures.		
Spend on consultants and agency workers, 2022-23	Annual report.	Cllr Richard Lucas, Lead Councillor for Finance and Property	Adrian Swift, Senior Specialist Procurement (Interim), Richard Bates, Executive Head of Finance, and Ian Doyle, Joint Strategic Director, Transformation & Governance
7 NOVEMBER 2023			
Item	Additional information	Relevant Lead Councillor(s)	Lead officers
Lead Councillor Question Session	With Councillor Richard Lucas, Lead Councillor for Finance and Property	Cllr Richard Lucas, Lead Councillor for Finance and Property	–
Procurement Annual Report	Annual Report for period to 31 March 2023.	Cllr Richard Lucas, Lead Councillor for Finance and Property	Adrian Swift, Senior Specialist Procurement (Interim), Richard Bates, Executive Head of Finance, and Ian Doyle, Joint Strategic Director, Transformation & Governance
Implementation of modern slavery policy		Cllr Richard Lucas, Lead Councillor for	Adrian Swift, Senior Specialist Procurement (Interim), Richard Bates, Executive Head of

		Finance and Property tbc	Finance, and Ian Doyle, Joint Strategic Director, Transformation & Governance
Operation of the Leisure Management contract, 2022-23	To scrutinise the Council's contracts monitoring in relation to the Leisure Partnership Agreement	Cllr Catherine Houston, Lead Councillor for Commercial Development	Charlotte Brindley, Leisure Contracts Officer, Kelvin Mills, Executive Head Commercial Services, and Ian Doyle, Strategic Director, Transformation & Governance
16 JANUARY 2024			
Item	Additional information	Relevant Lead Councillor(s)	Lead officers
Lead Councillor Question Session	With Councillor George Potter, Lead Councillor for Planning, Environment and Climate Change	Cllr George Potter, Lead Councillor for Planning, Environment and Climate Change	–
Air Quality Strategy update	To scrutinise Guildford's Air Quality Strategy and action plan	Cllr Merel Rehorst-Smith, Lead Councillor for Regulatory and Democratic Services	Richard Homewood, Executive Head Regulatory Services and/or Gary Durrant, Senior Specialist - Environment Control (Noise and Pollution), and Dawn Hudd, Joint Strategic Director, Place
Annual report and monitoring arrangements for operation of the G Live contract, 2022-23	To scrutinise the Council's contracts monitoring in relation to the G Live contract	Cllr Catherine Houston, Lead Councillor for	Charlotte Brindley, Leisure Contracts Officer, Kelvin Mills, Executive Head Commercial

		Commercial Development	Services, and Ian Doyle, Strategic Director, Transformation & Governance
Performance Monitoring Report 2023-24 (Quarter 2)	Period July-September 2023.	Cllr Carla Morson, Lead Councillor for Community and Organisational Development	Andrea Barnett, Policy Officer. Ian Doyle, Joint Strategic Director, Transformation & Governance
Council's Customer Services: Performance and Progress	Six-month progress report requested at July 2023 meeting [Minute OS4 refers].	Cllr Angela Goodwin, Lead Councillor for Engagement and Customer Services	Ian Doyle, Strategic Director of Transformation and Governance, Nicola Haymes, Joint Executive Head of Communications and Customer Service
5 MARCH 2024			
Item	Additional information	Relevant Lead Councillor(s)	Lead officers
Lead Councillor Question Session	With Councillor Angela Goodwin, Lead Councillor for Engagement and Customer Services	Cllr Angela Goodwin, Lead Councillor for Engagement and Customer Services	–

Unscheduled items

Guildford-Waverley Collaboration

23 August 2023

Housing Strategy

Communications Strategy

Task and finish groups

Title	Update
Affordable Housing	<p>Cllrs P. Brooker, Brothwell, Creese, Fenwick, Jones, Oven, Smith, Taylor, Steel, White, and have expressed interest in possibly continuing the work of the review. Meetings have been held to discuss the progress of the original task group and how to take forward the issues, with the Joint Executive Head of Housing Services confirming he will be the lead officer on the group.</p> <p>A proposed way forward is to consider the Local Authority Housing briefing and then move ahead with setting up the membership of the group, revising its terms of reference, and determining what the review look at to deliver agreed and demonstrable outcomes.</p>

Details of key decisions taken in 2022-23 under urgency provisions and call-in waivers

The Constitution specifies procedures and timescales that have to be followed where the Executive, a committee of the Executive, a lead councillor, or an officer is taking a Key Decision. A Key Decision is defined in the Council's Constitution as being an executive decision which is likely to:

- result in expenditure or savings of at least £200,000; or
- have a significant impact on two or more wards within the Borough.

Local authorities are legally required to publicise Key Decisions a minimum of 28 clear days prior to the decision being taken. As is common practice, the Constitution makes provision for decisions to be taken, as a matter of urgency, where it is impracticable to give the requisite notice. The general exception rule (Access to Information Procedure Rule 15) allows Key Decisions to be taken within the 28-day period, provided that the Chairman of the OSC has been informed by notice of the decision to be taken, the Council has made publicly available a copy of that notice and five clear days have elapsed since the publication of that notice.

In cases where a Key Decision is required to be taken even sooner and it is impracticable to wait for the five clear days required under general exception provisions, then the special urgency rule (Access to Information Procedure Rule 16) can be applied. In such instances, the decision may only be made if the decision-maker has obtained the agreement of the Chairman of the OSC, that the decision is urgent and cannot be reasonably deferred.

Furthermore, the Constitution states (in O&S Procedure Rule 16 (h)) that any matter designated by the Joint Chief Executive to be urgent shall not, if the Leader/Executive or individual decision-taker and the chairman of the OSC agree, be subject to the call-in procedure, but shall be determined by the Leader/ Executive, lead councillor or officer immediately. The record of the decision and notice by which it is made public shall state whether in the opinion of the decision-making person or body, the decision is an urgent one, and therefore not subject to call-in. The table below sets out details of key decisions taken in 2022-23 under the urgency provisions and call-in waivers.

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
16 May 2022 Director of Resources [decision ratified subsequently by Executive on 25 August 2022, Minute EX27 refers].	Midleton Industrial Estate Redevelopment.	To award the contract for Phase 4 of the project (construction of new industrial units at 3-5 and 9, Midleton Industrial Estate, Guildford). (Key Decision)	Unfortunately, only realised by officers that specific approval for Phase 4 was required after the contract had been awarded and shortly before the works were to commence. Stopping the contract would have incurred significant costs and disruption.	N/A	Yes	Not requested

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
21 July 2022 Director for Service Delivery.	Award of Contract for Cash Collection Services.	To award a new cash collection contract to Provider starting 01/08/22. Contract Value £1,099,241 (Key Decision)	The Cash Collection contract expired on 31 July 2022 and a procurement exercise was undertaken to ensure that the best value provider for the service could be found. This procurement resulted in Pivotal being the preferred provider for this service.	Yes	N/A	Yes

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
			<p>This service collects money from parking machines and other Council venues. If the monies were not collected from the machines either they would become full and not usable, or the machines might be vandalised, and monies stolen. Unfortunately,</p>			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
			those officers involved in the procurement overlooked the need to publish the key decision, and this only became apparent at a point when it would not be possible to provide 28 days' notice prior to the commencement of the contract.			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
25 August 2022, Executive, Minute EX29 refers.	Guildford Lido Drainage and Modernisation Project.	That a virement of £600,000 from the capital contingency fund for the Lido Drainage and Modernisation Project be approved to enable the project to start on time and hopefully be completed during the winter period to	Following a procurement exercise in July, the Council conducted an initial evaluation of the tenders received. The works cost of the scheme was expected, based on an external QS estimate updated in April, to be around £900,000 (excluding	Yes	N/A	Not requested

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
		<p>ensure the minimum disruption to the potential customers of the venue.</p> <p>(Key Decision)</p>	<p>contingencies). The range of acceptable works tenders received were between £1.7m and £1.9m. The work is essential and is programmed to take place during the winter period commencing 3 October 2022. In order to achieve this, a supplementary</p>			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
			<p>capital estimate of £600,000 would need to be approved and a contract in place by 23 August 2022. The original scheme was to be funded from a reserve specifically for the Leisure Partnership Agreement which has a current available balance of £1.5m. The</p>			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
			<p>works tender mentioned above does not make provision for other project costs such as specialist consultant fees and charges or a contingency against unforeseen circumstances.</p> <p>The entire project is likely to be circa £2.1m allowing for these factors.</p>			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
15 September 2022, Executive Head: Assets and Property.	Grant a Protected Lease and a licence to alter of The Rock, 2 Thornberry Way, Slyfield Industrial Estate.	To approve the grant of a lease of The Rock, 2 Thornberry Way, Slyfield Industrial Estate in line with the following terms and conditions: Terms: Lease Length = 15 years Rent = £400,000 PA	When terms were agreed with this tenant, the letting was subject to a planning application by the proposed new tenant, which we were not confident would be approved. Once the application was approved it did not allow enough time for	N/A	Yes	Not requested

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
		Deposit = £200,000 – after the 3rd year 50% of the deposit may be returned provided the tenant has a satisfactory credit score and has paid all of their rent on time. Rent Free = 6 months full rent free and 12	the key decision to be published.			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
		<p>months half rent.</p> <p>Break = Tenant break after year 10 of the lease. 6 months' notice required.</p> <p>Rent review = upward only every 5 years, capped at 15% increase over the 5 years.</p> <p>Rent payable quarterly in advance.</p>				

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
		Licence to Alter: - New mezzanine at 1st floor level - Additional mezzanine on the 2nd floor level - Toilets on the ground floor. (Key Decision)				
30 September 2022, Joint Chief Executive.	Investment of Equity Shares in Guildford Borough Council	To approve the investment of a further £900,000 in equity shares	The Council needed to take an urgent decision to avoid harm to	N/A	Yes	Not requested

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
	Holdings Limited.	in Guildford Borough Council Holdings, bringing the Council's total shares to a maximum of £10.12million. Funding is already available for the additional investment as part of the Approved	residents who were due to complete house sales on Friday 30 September 2022 and to enable North Downs Housing to purchase two properties.			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
		Capital Programme. (Key Decision)				
12 December 2022, Executive, Minute EX64 refers.	Guildford Park Road Redevelopment – Action to Secure Electrical Connections and Capacity for the New Development.	(1) To authorise immediate payment of £70,106.89 to UK Power Networks (UKPN) to establish the capacity for, and cost of, the electrical	Under normal circumstances, a payment of this nature would be made to UKPN following the grant of planning permission and the movement of the scheme to its delivery phase.	Yes	N/A	Yes

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
		<p>connections that will be required for the Guildford Park Road Redevelopment scheme.</p> <p>(2) To authorise the Strategic Director: Place, in consultation with the Lead Councillor for Resources, to enter into such agreements as</p>	<p>However, the Council has recently been informed that another party has also submitted a request to UKPN for new connections. These new connections would be served by the same part of UKPN's distribution network as the Council's site.</p>			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
		<p>are necessary with UKPN.</p> <p>(3) To agree that funding for this payment be brought forward into this financial year from the approved HRA capital programme budget for 2023/24 in respect of this project.</p>	<p>UKPN has confirmed that the existing distribution network does not have sufficient capacity to serve both requests, meaning that off-site infrastructure would require to be upgraded to increase capacity.</p> <p>In the scenario where two</p>			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
		(Key Decision)	applicants request connections that will be served by the same distribution network, and capacity issues are identified, UKPN's protocol dictates that the first application is given priority to utilise the existing capacity and avoid the cost and programme risk			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
			<p>associated with providing additional capacity. The Council's application was received first meaning that we have an opportunity to secure the capacity now by accepting the quote and paying UKPN circa £360,000.</p>			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
			<p>However, UKPN protocol also dictates that we have only 30 days to do this, otherwise the second applicant will be able to pay and take the capacity instead. To secure the connections, the Council must pay UKPN by 21 December 2022.</p>			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
			Although officers had been authorised to take all steps necessary for the submission of the planning application, they did not have authority to take the decision to bring forward monies from the 2023-24 HRA capital programme			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
			budget to make this payment.			
Call-in of future decisions on ARB tender process was waived by O&S Chair on 8 March 2023.	Ash Road Bridge Project tender processes.	Chairman of Overview and Scrutiny requested to waive possible call-in for ASB tender processes to enable entering into contract as early as possible, to be able to continue to meet the Homes England	To maximise funding opportunities (£23.9 million of central government funding towards the Ash Road Bridge Scheme to deliver an alternative road crossing of the North Downs railway line in	N/A	N/A	Yes

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
		timelines for expenditure of the £23.9m grant, ahead of the Executive recommendation and the Council decision to approve a new budget and funding strategy for Ash Road Bridge [Council Minute CO143 refers].	close proximity to the Ash level crossing).			

Executive meeting / decision-taker	Item of business	Decision taken	Reasons for decision	Chairperson of O&S informed under General Exception provision of Access to Information Procedure Rule 15	Chairperson of O&S agreement obtained under Special Urgency provision of Access to Information Procedure Rule 16	Chairperson of O&S agreed to waive call-in
		(Key Decision)				

Overview and Scrutiny Committee **P.A.P.E.R. selection tool**

Public interest: concerns of local people should influence the issues chosen

Ability to change: priority should be given to issues that the Committee can realistically influence

Performance: priority should be given to areas in which the Council and Partners are not performing well

Extent: priority should be given to issues that are relevant to all or a large part of the Borough

Replication: work programme must take account of what else is happening to avoid duplication or wasted effort

This page is intentionally left blank

Guildford Borough Council

Report to: Council

Date: 10 October 2023

Ward(s) affected: n/a

Report of Director: Transformation & Governance

Author: John Armstrong

Tel: 01483 444102

Email: john.armstrong@guildford.gov.uk

Lead Councillor responsible: Merel Rehorst-Smith

Tel: 01483 610581

Email: merel.rehorst-smith@guildford.gov.uk

Report Status: Open

Corporate Governance & Standards Committee Annual Report: 2022-23

1. Executive Summary

- 1.1 Following receipt of an internal audit report on the effectiveness of the Corporate Governance & Standards Committee, which was considered on 24 March 2022, one of the recommendations was that the Committee should report at least annually to the Council on its activities and an assessment of its performance in discharging its responsibilities as defined in the Committee's terms of reference.
- 1.2 The first of these annual reports, for the municipal year 2021-22, was considered by the Council on 8 February 2023. The annual report for the 2022-23 municipal year, is attached as **Appendix 1**.
- 1.3 The Committee considered the annual report at its meeting held on 28 September 2023 and, in commending it for adoption by the

Council, made a number of comments and these have been included at the end of the Annual Report.

2. Recommendation to Council

- 2.1 The Council is asked to consider and adopt the Annual Report of the Corporate Governance & Standards Committee for 2022-23 attached as Appendix 1 to this report.

3. Reasons for Recommendation:

- 3.1 To ensure that the Committee is accountable for its work to the full Council.

4. Exemption from publication

- 4.1. No

5. Purpose of Report

- 5.1. The purpose of this report is to ask the Council to consider and adopt the Annual Report of the Corporate Governance & Standards Committee for the 2022-23 municipal year, taking into account the Committee's comments referred to above.

6. Strategic Priorities

- 6.1 The contents of the report are consistent with the following Values set out in the Council's Strategic Framework (2021-2025):
- We will listen to the views of residents and be open and accountable in our decision-making.
 - We will deliver excellent customer service.
 - We will spend money carefully and deliver good value for money services.

- We will ensure that our councillors and staff uphold the highest standards of conduct.

7. Background

- 7.1 Following receipt of an internal audit report on the effectiveness of the Corporate Governance & Standards Committee, which was considered on 24 March 2022, one of the recommendations was that the Committee should report at least annually to the Council on its activities and an assessment of its performance in discharging its responsibilities as defined in the Committee's terms of reference.
- 7.2 The first of these annual reports, for the municipal year 2021-22, was considered by the Council on 8 February 2023. The annual report for the 2022-23 municipal year, is attached as **Appendix 1**.

8. Financial Implications

- 8.1 There are no direct financial implications in respect of this report.

9. Legal Implications

- 9.1 Whilst production of an annual report on the activities of the committee is not a legal requirement, it is recognised as best practice. There are no direct legal implications arising from this report.

10. Human Resource Implications

- 10.1 There are no direct human resource implications in respect of this report.

11. Equality and Diversity Implications

- 11.1 Public authorities are required to have due regard to the aims of the Public Sector Equality Duty (Equality Act 2010) when making decisions and setting policies. This duty has been considered in the

context of this report and it has been concluded that there are no equality and diversity implications arising directly from it.

12. Climate Change/Sustainability Implications

12.1 There are no direct climate change/sustainability implications arising from this report.

13. Background Papers

None

14. Appendices

Appendix 1: Draft Annual Report of the Corporate Governance & Standards Committee 2022-23

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE**ANNUAL REPORT 2022-23**

This report details the work undertaken by the Corporate Governance and Standards Committee over the 2022-23 municipal year. The purpose of this annual review of the work of the Committee is to help Members review the previous year's work and plan for the coming year.

In 2022-23, the Committee met on seven occasions. Additionally, the Committee met informally with the Council's internal and external auditors in March 2023.

The membership of the Committee in 2022-23, and their individual attendance record, was as follows:

Appointed councillors	Actual Attendance	% Attendance
Cllr Ruth Brothwell*	2/2	100
Cllr Liz Hogger	1/7	14
Cllr Nigel Manning	3/7	43
Cllr Susan Parker	6/7	86
Cllr George Potter	7/7	100
Cllr Tony Rooth**	2/5	40
Cllr Deborah Seabrook	7/7	100
Cllr James Walsh	5/7	71
Co-opted Independent Members:		
Mrs Maria Angel MBE	4/7	57
Mr Murray Litvak	5/7	71
Co-opted Parish Members:		
Ms Julia Osborn	7/7	100
Mr Ian Symes	4/7	57
Mr Tim Wolfenden	5/7	71

* from January 2023

** to November 2022

The attendance at most meetings by the Lead Councillors with audit and finance, and governance portfolio responsibilities ensures that the Committee maintains direct communication with the Executive.

Agenda item number: 10

Appendix 1

Article 10 of the Council's Constitution limits the number of Executive members permitted to be members of the Committee to one, and they are also not permitted to be either chairman or vice-chairman of the Committee.

The Committee was supported at every meeting by the Section 151 Officer (Chief Finance Officer), the Lead Specialist – Finance (Deputy Section 151 Officer), the Monitoring Officer, and the Democratic Services and Elections Manager (Deputy Monitoring Officer).

The frequency of meetings ensures the Committee can fulfil its responsibilities in an efficient and effective way.

Purpose of the Annual Report

At its meeting on 24 March 2022, the Committee considered an Internal Audit Report from KPMG on the effectiveness of the Committee. One of the recommendations to management was the preparation of an annual report to full Council on an assessment of the performance of the Committee during the year.

The Committee agreed at its March 2022 meeting to review its terms of reference, which was conducted by the Corporate Governance Task Group, who reported back to the Committee in June 2022. The Council adopted the revised terms of reference in July 2022 (see **Annex 1**).

The core functions of the Committee, which were not changed following adoption of the revised terms of reference, are to consider the Council's arrangements relating to:

- Audit and Accounts activity;
- Corporate Governance activity; and
- Ethical Standards activity

This annual report to full Council demonstrates the importance the Council places on the authority's governance and audit arrangements. The report on the work of the Committee provides assurance to the Council how the Committee is working towards:

- fulfilling its agreed terms of reference and adopted recommended practice; and
- strengthening risk management, internal control and governance arrangements.

This report also underpins the Annual Governance Statement, which is approved by this Committee.

Summary of work activity undertaken in 2022-23

A table showing the reports considered by the Committee in 2021-22 can be found in **Annex 2**. The main outcomes of the Committee's work in relation to its core functions can be summarised as follows:

Audit and Accounts Activity

External Audit

In a normal year, the Committee would be expected to approve the Council's audited Statement of Accounts and consider the external auditor's findings and management's response in that regard. However, due to a number of factors it was not possible to adopt the 2020-21 accounts during the 2022-23 municipal year. Grant Thornton, the Council's external auditors, reported an update on progress with the audit to the Committee at its meeting on 28 July 2022.

Internal Audit

During 2022-23, the Committee considered reports from the Council's outsourced internal auditors, KPMG, in relation to the following activities:

- Performance Monitoring Arrangements. (Outcome: **Amber/Green** - significant assurance with minor improvement opportunities)
- Customer Services Complaints Handling (Outcome: **Amber/Red** - Partial assurance with improvement required) KPMG issued one high priority recommendation which related to meeting agreed timescales for acknowledgement and response to complaints.
- Core Financial Controls: Payroll (Outcome: **Amber/Green** - significant assurance with minor improvement opportunities)
- Corporate Risk Management (Outcome: **Amber/Green** - significant assurance with minor improvement opportunities)
- IT Infrastructure for Remote Working (Outcome: **Amber/Green** - significant assurance with minor improvement opportunities)
- Corporate Programmes –Redevelopment Projects (Outcome: **Amber/Red** - Partial assurance with improvement required) KPMG issued one high priority recommendation which related to the Weyside Urban Village Development and, specifically, to the importance of monitoring the

Council's contractual spend against the original contracted value and where there were large variances, to involve procurement and legal advice as per the Council's Procurement Procedure Rules.

- Financial Controls: Budgetary Controls (Outcome: Amber/Red - Partial assurance with improvement required) KPMG issued two high priority recommendations, the first related to securing tighter control on unbudgeted staff expenditure by finalising the HR establishment listing that outlines the total staffing numbers at the Council, and the second related to ensuring that the underlying forecasted revenue and expenditure from service areas were complete and accurate, by implementing a formal process for review and challenge of forecasts.
- Financial Controls: General Ledger (Outcome: Amber/Green - significant assurance with minor improvement opportunities)
- Controls over Receipt and Expenditure of Section 106 Contributions (Outcome: Amber/Green - significant assurance with minor improvement opportunities)
- Controls around the Preparation and Posting of Journals (Outcome: Amber/Green - significant assurance with minor improvement opportunities)
- Additional Review of the Payroll Budget Discrepancy against the expected control environment (Outcome: Amber/Red - Partial assurance with improvement required) KPMG issued two high priority recommendations, the first was to undertake a review to finalise the Council's establishment, and once finalised, to formally implement a regular payroll monitoring and reconciliation process to ensure that it is accurate and up to date; the second was to implement a formalised, clear and consistent process of Finance oversight of corporate programmes.

As part of their 2022-23 internal audit plan, KPMG had also followed up actions in previously audited areas and had prioritised looking at the 2021-22 reviews which had received 'no assurance' or 'partial assurance with improvements required', alongside a sample of reviews which received 'significant assurance with minor improvement opportunities'.

During the year, the Committee received update reports on progress against actions identified in the following internal audit reports:

- Customer Services Complaints Handling (following on from the report referred to above)
- Safeguarding Arrangements (following on from an internal audit report issued in November 2021)

Following completion of all the programmed activities in the internal audit plan for 2022-23, KPMG had also produced their Head of Internal Audit Opinion for 2022-23, for which significant assurance with minor improvement opportunities had been given on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.

The Council's contract with KPMG as its internal audit provider ended on 31 March 2023. At its March 2023 meeting, the Committee approved the Internal Audit Charter and Internal Audit Plan for 2023-24 presented to it by the Council's new provider, Southern Internal Audit Partnership, in accordance with the requirements of the Public Sector Internal Audit Standards.

Accounts

The Committee provides financial scrutiny of the Council's accounts by continuing to receive regular financial monitoring reports which summarise the projected outturn position for the Council's general fund revenue account, based on actual and accrued data for each reporting period.

In addition to the monitoring reports, in September 2022, the Committee considered a report which summarised the emerging financial position against the approved 2022-23 budget and highlighted the pressures on the already stretched Medium Term Financial Plan (MTFP).

The Committee also considered outturn reports for the 2021-22 financial year in respect of:

- Capital and Investment Strategy
- Housing Revenue Account
- General Fund Revenue Account

As part of the budget setting process each year the Committee also considers the Capital and Investment Strategy before it is considered by the Executive and adopted by full Council at its Budget Meeting.

Corporate Governance Activity

The Committee has considered a range of reports relating to corporate governance activities within its terms of reference.

Annual Governance Statement

One of the key aspects of the Committee's corporate governance activity is to consider and approve the Council's Annual Governance Statement (AGS) in

advance of the formal approval of the Statement of Accounts. The AGS is a statutory requirement which sets out the Council's governance framework and procedures operating at the Council during the year, reviews their effectiveness, and identifies any significant governance issues occurring during the year.

The Committee noted that the 2021-22 AGS, had acknowledged the ongoing significant challenges (both financial and organisational) placed on the Council due to the Covid 19 pandemic, which came at a time when the Council was finalising a major organisational transformation (Future Guildford).

Consequently, there were a number of significant governance issues identified during the year, some of which were Covid related, and it was recognised that although there had been improvement in the governance arrangements in place, we were not yet back to our pre-transformation and pre-COVID high levels of governance.

Monitoring Reports

In respect of its monitoring role, the Committee has considered and made specific requests for improvements in terms of layout and information provided in relation to the following key monitoring reports:

- Planning Appeals Monitoring Report
- Section 106 Monitoring

Risk Management

Following audit recommendations from KPMG in March 2021, the Committee had monitored the work undertaken to improve the Council's risk management processes, in particular the development of a new Risk Management Framework. Consequently, in April 2022, the Committee considered the proposed Corporate Risk Register and Risk Management Strategy and Policy and had made a number of comments to the Executive to inform its decision taken on 28 April 2022 to approve the Risk Register and the Strategy and Policy. In November 2022, the Committee considered a further report on the changes made to the corporate risk register since it was last presented to the Committee in April 2022. That report also detailed how the new process continued to achieve the desired outcomes set out in the Risk Management Strategy and Policy as well as setting out changes made to the Strategy and Policy by the Risk Management Group.

The Committee made a number of recommendations to the Risk Management Group in respect of future reports in terms of content and presentation.

Equalities

In relation to equalities, the Committee considers and reviews on an annual basis the Council's Equality Scheme and updates to the Action Plan, as well as the Gender Pay Gap Report, although following consideration of the 2023 Gender Pay Gap Report, the Committee agreed that in future, it would be circulated to committee members for information rather than as a formal report to Committee.

Information Management

In relation to information management, the Committee receives biannual reports on the Council's performance in responding to Freedom of Information requests, together with update reports on Data Protection and Information Security initiatives.

Following a fall in performance standards in respect of responses to Freedom of Information requests during 2020-21, which was largely due to the Covid pandemic lockdown and corporate restructures, performance rates for timely delivery of responses within the 20-working day deadline had since improved over the 2021-22 financial year as well as during the first half of the 2022 calendar year and beyond.

Councillor task groups reporting to the Committee

The Committee is responsible for monitoring the work of two cross party councillor working groups, the Councillor Development Steering Group and the Corporate Governance Task Group. This is done at least annually, or on a more frequent basis whenever it is necessary for either group to report to the Committee on any matter requiring a formal decision, or recommendation to the Executive or full Council.

During the 2022-23 municipal year, the Committee considered the following matters referred to it by the Corporate Governance Task Group:

- Review of the Committee's terms of reference (June 2022 – see **Annex 1**)
- Protocol for Commercial Presentations to Councillors (July 2022)
- Review of the Probity in Planning Local Code of Practice - Handbook for Councillors and Officers (January 2023)

In addition, the Committee may be asked to consider any relevant corporate governance related issue referred to it by the Joint Chief Executive, a Director, the Leader/Executive, or another committee. No such referrals were made in 2022-23.

Ethical Standards Activity

In March 2023, the Committee considered the Annual Report of the Monitoring Officer on Misconduct Allegations dealt with during the 2022 calendar year.

Only four complaints were received in 2022 (which was a significant reduction compared to the two previous years), two complaints related to borough councillors, and two were against parish councillors. There were also three complaints which had started in 2021, two of which proceeded to stage 6, Hearings Sub-Committee, which met in September 2022.

The Committee expressed concern over the lengthy timescales built into the Arrangements for dealing with Misconduct Allegations, which meant that complaints often took more than a year to deal. Consequently, the Corporate Governance Task Group undertook a review of the Arrangements, which concluded in April 2023. The Task Group's findings will be fed into the work of the Joint Constitutions Review Group, which was established jointly by the Committee and Waverley's Standards & General Purposes Committee.

In considering the Annual Report, the Committee agreed the following action to increase openness and transparency in the complaints process:

- (1) That decision notices following determination of a complaint by the Hearings Sub-Committee be published on the Councillor Conduct webpages on the Council's website, together with a link to the relevant committee pages.
- (2) That the information provided in the Annual Report showing details of complaints received, and decisions taken in relation to Allegations of Misconduct for the previous calendar year be posted on the Councillor Conduct webpages and updated as appropriate by the Monitoring Officer at least twice per year to show decisions taken in respect of those complaints, and new complaints received.
- (3) That links to the latest Monitoring Officer Annual Report to the Corporate Governance and Standards Committee be included in the Councillor conduct webpages.

Training and Development

During 2022-23, the new councillor induction programme was being put together for implementation following the Borough Council elections in May 2023. Induction training sessions in respect of the following relevant matters were included in the programme:

- Overview of role of Corporate Governance and Standards Committee
- Introduction to Local Government Finance
- Ethical Standards
- Data Protection and Freedom of Information
- Equality and Diversity

Further training will need to be provided for the Committee in respect of the following matters:

- Treasury Management
- Introduction to Investment and Strategy,
- Overview of Local Government Financial Reporting and Guide to the Accounting Statements

One of the recommendations contained in the Internal Audit Report from KPMG on the effectiveness of the Committee considered on 24 March 2022, was to note that the Chartered Institute of Public Finance and Accountancy (CIPFA) provided a knowledge and skills framework which included core areas of knowledge, specialist areas of knowledge and core skills against which members of the Committee should be assessed.

CIPFA subsequently confirmed that they were in the process of reviewing their knowledge and skills framework, which would form part of their revised *Audit Committees: Practical Guidance for Local Authorities and Police*, a copy of which was received in November 2022.

It was proposed that this assessment should be made following the Borough Council elections with future training and development targeted at identified skills and knowledge gaps. This piece of work is still outstanding.

Action Tracker

The Committee maintains and decisions and action tracker, which is reviewed and updated at each meeting.

Work Programme

The Committee maintains a 12-month rolling-work programme, which is reviewed and updated at each meeting. It also includes unscheduled reports.

Looking Forward

Following the Borough Council elections In May 2023, the Committee has a considerable number of matters to deal with on its work programme.

Through the receipt of regular reports, the Committee will provide the usual level of robust challenge to corporate governance and audit practice and procedure across the authority to ensure that our arrangements are up to date and fit for purpose, communicated, embedded and routinely complied with. In addition, the Committee will request and consider reports in relation to relevant matters which come to its attention during the course of the year.

The Committee's comments on the Annual Report:

The Committee expressed concern that the Annual Report does not recognise the various failures in governance, which have led to some of the issues around the Council's finances during 2022-23, and that the Council should reflect further on the Committee's role and terms of reference.

It was suggested that the failsafe mechanisms within the Council to prevent internal governance failures should be the audit process and this Committee. However, it was acknowledged that, until the external audit of the Council's accounts was fully up to date, the Committee cannot come to any conclusions as to what could have, or should have been done differently.

It was also felt that there needed to be a wider review of the role of corporate governance and standards within the Council to ensure that the key governance issues can be scrutinised in sufficient depth. The Committee noted that it was proposed to conduct a Constitutional review in the next 12 months, which would include a review of the structure of committees and their terms of reference.

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

TERMS OF REFERENCE

Statement of purpose

The Committee has a dual purpose both as an audit committee and a standards committee.

The Committee is a key component of the authority's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of the Committee is to provide independent assurance to councillors of the adequacy of the risk management framework and the internal control environment. It provides independent review of the authority's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

With regard to standards, the Committee promotes high standards of conduct by councillors and co-opted members and oversees the arrangements for dealing with allegations of misconduct.

Audit and Accounts Activity

1. To consider reports on the summary of internal audit activity (actual and proposed) and the level of assurance that it can give over the Council's corporate governance arrangements and monitor the progress of high priority actions arising from audit recommendations
2. To consider reports dealing with the management and performance of the providers of the internal and external audit functions.
3. To approve the Internal and External Audit Plans, and significant interim changes.
4. To consider the external auditor's annual letter (including their audit fee), relevant reports (both financial and strategic) and the report to those charged with governance.
5. To consider specific reports submitted by the internal or external auditors

Agenda item number: 10

Appendix 1

6. To comment on the scope and depth of internal and external audit work and ensure that it gives value for money.
7. To review and approve the annual statement of accounts and Audit Findings Report with specific emphasis on whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
8. To consider reports on the Capital and Investment Strategy prior to their referral to the Executive and Council
9. To consider budget monitoring reports at least on a quarterly basis.

Corporate Governance Activity

10. To monitor and review the operation of the Council's Constitution, particularly in respect of financial procedures and protocols, procurement procedures and guidelines and make recommendations, as appropriate, in respect of any proposed amendments to the Executive and Council.
11. To consider the Council's arrangements for corporate governance and to recommend such actions necessary to ensure compliance with best practice, together with any relevant corporate governance related issues referred to the Committee by the Joint Chief Executive, a Director, the Leader/Executive or any other committee of the Council.
12. To monitor the effective development and operation of risk management undertaken throughout the Council including the review of the Corporate Risk Register.
13. To consider and approve the Council's Annual Governance Statement in advance of the formal approval of the Council's Statement of Accounts.
14. To consider an annual report of the operation of the whistle-blowing policy, including incidents reported
15. To monitor and audit the Council's equality and diversity policies and approve the Equality Scheme and associated action plan.
16. To monitor bi-annually the Council's performance in dealing with Freedom of Information and Environmental Information Regulations requests.
17. To monitor the Council's progress on various data protection and information security initiatives.

18. To consider annual reports on the work of task groups appointed by the Committee, together with other matters submitted to the Committee periodically by those task groups
19. To consider bi-annually Planning Appeals Monitoring Reports and S106 Monitoring Reports
20. To consider an annual report on the exercise of powers under the Regulation of Investigatory Powers Act 2000

Ethical Standards Activity

21. To promote and maintain high standards of conduct by councillors and co-opted members¹
22. To advise the Council on the adoption or revision of the Councillors' code of conduct.
23. To advise, train or arrange to train councillors and co-opted members on matters relating to the code of conduct.
24. To agree arrangements for the selection and interviewing of candidates for appointment as Independent Persons (including such joint arrangements with other councils as may be deemed by the Monitoring Officer to be appropriate) and to make recommendations to full Council on these appointments.
25. To agree allowances and expenses for the Independent Person and any Reserve Independent Persons
26. To grant dispensations, after consultation with the independent person, to councillors and co-opted members with disclosable pecuniary interests.
27. To monitor and review the operation of the Code of Conduct for Staff and the Protocol on Councillor/ Officer Relations and to make recommendations as appropriate to Council in respect of any necessary amendments.
28. To consider the Monitoring Officer's Annual Report on misconduct complaints against councillors, and any other matter referred by the Monitoring Officer.

¹ A "co-opted member" for this purpose is, defined in the Localism Act section 27 (4) as "a person who is not a member of the authority but who

(a) is a member of any committee or sub-committee of the authority, or

(b) is a member of, and represents the authority on, any joint committee or joint sub-committee of the authority; and who is entitled to vote on any question that falls to be decided at any meeting of that committee or sub-committee".

Reference to councillors or co-opted members in paragraphs 30 and 31 includes councillors or co-opted members of parish councils in the Council's area.

Accountability arrangements

To report to those charged with governance on the Committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions.

To report annually to full Council on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.

DRAFT

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE ACTIVITY – 2022/23

Annex 2

REPORTS	Jun 2022	Jul 2022	Sep 2022	Oct 2022*	Nov 2022	Jan 2023	Mar 2023
Annual Reports							
Equality Scheme and Action Plan							
Review of Task Groups Reporting to the Committee							
Planning Appeals Monitoring Report							
Annual Governance Statement 2021-22							
Capital and Investment Outturn Report 2021-22							
Housing Revenue Account Final Accounts 2021-22							
General Fund Revenue Outturn Report 2021-22							
Councillor Training and Development Update							
Capital and Investment Strategy (2023-24 to 2027-28)							
Annual Report of the Corp. Gov & Standards Cttee 2021-22							
Annual Report of the Monitoring Officer - Misconduct Allegations							
Gender Pay Gap Report 2023							
Regular Reports							
Corporate Performance Monitoring**							
Financial Monitoring							
Internal Audit Progress Reports							
Freedom of Information Compliance Update							
Data Protection and Information Security Update Report							
Section 106 Monitoring							
Risk Management and Corporate Risk Register							
Decision and Action Tracker							
Committee Work Programme							
Other reports received in accordance with terms of reference							
Review of the Committee’s Terms of Reference							
Protocol for Commercial Presentations to Councillors							
External Audit Progress Report (2020-21 audit)							
Budget Pressures 2022-23 and Medium-Term Financial Plan							

REPORTS	Jun 2022	Jul 2022	Sep 2022	Oct 2022*	Nov 2022	Jan 2023	Mar 2023
Future of Internal Audit							
Review of Probity in Planning Local Code of Practice - Handbook							
Safeguarding - Internal Audit Report Update							
Complaints Handling Audit Report Actions Update							
Internal Audit Charter 2023-24							
Internal Audit Annual Plan 2023-24							

* special meeting

** the quarterly Corporate Performance Monitoring Reports are now considered by the Overview & Scrutiny Committee

DRAFT

Guildford Borough Council

Report to: Council

Date: 10 October 2023

Ward(s) affected: All

Report of Director: Transformation and Governance

Author: Susan Sale, Joint Executive Head of Legal & Democratic Services

Tel: 01483 444022

Email: susan.sale@guildford.gov.uk

Lead Councillor: Merel Rehorst-Smith

Tel: 01483 610581

Email: merel.rehorst-smith@guildford.gov.uk

Report Status: Open

Amendments to the Guildford Borough Council and Waverley Borough Council Joint Governance Committee's Terms of Reference

1. Executive Summary

- 1.1 The Joint Governance Committee was created in April 2022 and its Terms of Reference (TOR) can be found in Part 3 of the Council's Constitution.
- 1.2 At the request of the new Joint Executive Head of Legal & Democratic Services, the TOR for the Joint Governance Committee were reviewed to ensure they remained, relevant, fit for purpose and included any collaboration arrangement updates.

- 1.3 At its meeting to be held on 9 October 2023, the Joint Governance Committee will be asked to consider amendments to the Committee's TOR to confirm the frequency of meetings and the annual review of the IAA. The Joint Governance Committee will also consider amending its TOR to reflect the impending Temporary Shared Staffing Inter-Authority Agreement, which will fall under the remit of the Joint Governance Committee and be subject to annual review in line with the JMT IAA.
- 1.4 The Joint Governance Committee's recommendations in this regard will be referred to the full Council meetings of both Guildford and Waverley for adoption.

2. Recommendations to Council

- 2.1 That the Joint Governance Committee's Terms of Reference be amended as follows:
 - (a) The frequency of meetings to be biannually.
 - (b) The periodic formal review to be "at least annually".
 - (c) The inclusion of the Temporary Shared Staffing Inter-Authority Agreement within its remit and to review periodically that Agreement at least annually in line with the JMT IAA.
- 2.2 That the Executive Head of Legal and Democratic Services be authorised to amend the Council's Constitution accordingly.

3. Reason for Recommendation:

- 3.1 To ensure Guildford Borough Council and Waverley Borough Council continues to adopt and exercise strong governance arrangements for inter-authority working.

4. Exemption from publication

4.1 No part of this report is exempt from publication.

5. Purpose of Report

5.1 This report asks the Council to approve amendments to the Joint Governance Committee's TOR as outlined in the recommendations in paragraph 2.1 of this report (and set out in full in **Appendix 1**).

6. Strategic Priorities

6.1 The work of Joint Governance Committee assists in the delivery of the Council's Corporate Plan priorities.

7. Background

7.1 The Joint Governance Committee was created in April 2022 and its TOR can be found in Part 3 of the Council's Constitution.

7.2 The TOR currently state (in paragraph 7) that the Joint Governance Committee's frequency of meeting should be as and when required. The Joint Executive Head of Legal & Democratic Services has suggested that that the frequency of the meeting should be a formal arrangement and the meetings should take place biannually, in line with the Committee's responsibilities to review inter-authority working arrangements and risk assessments.

7.3 Paragraph 9 of the TOR (Role and Function) currently include:

 '(i) To undertake periodically a formal review (at least once every 12 months) of the inter-authority agreement, ensuring it continues to be fit for purpose and recommending to both Full Councils any changes required.'

7.4 The Joint Executive Head of Legal & Democratic Services has suggested that the wording be amended to state the following:

‘(i) To undertake periodically a formal review (at least annually) of the all the inter-authority agreements:

- Joint Management Team
- Temporary Shared Staffing

ensuring that they continue to be fit for purpose and recommending to both Full Councils any changes required.’

7.5 At the meeting of the Executive on 20 July 2023, the Executive unanimously approved:

- i. The principle of sharing staff between Guildford Borough Council and Waverley Borough Council, on a temporary basis, where appropriate to support the collaboration programme.
- ii. Delegated authority to the Joint Chief Executive, to approve, subject to a business case, future temporary staff sharing arrangements between Guildford Borough Council and Waverley Borough Council, to support the collaboration and transformation programme.
- iii. Delegated authority to the Joint Executive Head of Legal and Democratic Services to enter into an agreement between Guildford Borough Council and Waverley Borough Council for the sharing of their staff on a temporary basis.

8. Equality and Diversity Implications

8.1 The Joint Governance Committee will be responsible for having due regard to the requirements of the Public Sector Equality Duty (Equality Act 2010) when making any recommendations concerning governance arrangements.

9. Financial Implications

9.1 There are no financial implications arising from this report. Any proposals, projects, or suggestions from the Joint Governance Committee with financial implications will either be contained within

approved budgets or considered as part of the Service and Financial Planning cycle.

10. Legal Implications

- 10.1 Section 101(5) Local Government Act 1972 provides that two or more local authorities may discharge any of their functions jointly. The Joint Governance Committee is established by both Guildford Borough Council and Waverley Borough Council jointly to discharge their functions in accordance with the Committee's TOR.

11. Human Resource Implications

- 11.1 There are no direct human resource implications arising from this report.

12. Background Papers

Guildford Borough Council Constitution

20 July 2023: Report to Executive on Temporary Shared Staffing

13. Appendices

Appendix 1: Draft Amended Terms of Reference of the Guildford and Waverley Joint Governance Committee

This page is intentionally left blank

**Guildford Borough Council and Waverley Borough Council Joint Governance
Committee – Composition and Terms of Reference**

1. This Joint Committee is to be established by Guildford Borough Council and Waverley Borough Council (“the councils”) in accordance with Section 102 (1) (b) of the Local Government Act 1972 (Appointment of committees)
2. MEMBERS: 12
 - a. The Joint Governance Committee shall comprise the respective Leaders of both councils, plus five members appointed by Guildford Borough Council and five members appointed by Waverley Borough Council
 - b. Appointments shall be made in accordance with the Local Government (Committees and Political Groups) Regulations 1990
3. QUORUM: 7 (subject to each council being represented at a meeting by at least three members)
4. CHAIR: The Joint Governance Committee shall be chaired alternately between the councils by their respective Leaders.
5. PLACE OF MEETINGS: The venue for meetings of the Joint Governance Committee shall normally alternate between the two councils with the host Leader chairing the meeting. The venue for the first meeting shall be at Guildford Borough Council’s offices.
6. GENERAL ROLE: Adopting and exercising such of the functions of the councils as can be delegated by those councils in respect of the governance arrangements for inter-authority working.
7. **FREQUENCY OF MEETINGS: Biannually**
8. SUBSTITUTES: Substitutes may be appointed. Any appointed member of the Joint Governance Committee may be substituted by any other member of their political group on the Council they represent.

9. ROLE AND FUNCTION:

(i) To undertake periodically a formal review (at least annually) of all the inter-authority agreements:

- Joint Management Team
- Temporary Shared Staffing

ensuring they continue to be fit for purpose and recommending to both Full Councils any changes required.

(ii) To undertake periodically a formal review (at least once every 6 months) of the collaboration risk assessment, reviewing current and target impact and likelihood scores and making any changes to the list of risks and mitigating actions.

(iii) Notwithstanding (i) and (ii) above, to undertake a formal review of all inter-authority agreements or the collaboration risk assessment at such other time as may be determined by the Joint Committee.

(iv) To discharge any other functions that relate to the governance of all inter-authority working arrangements that may from time to time be delegated to the Joint Committee.

10. SERVICING THE JOINT GOVERNANCE COMMITTEE: The servicing of the Joint Governance Committee shall be agreed between the Councils' Democratic Services Managers.

11. MEETINGS OF THE JOINT GOVERNANCE COMMITTEE SHALL BE CONDUCTED IN ACCORDANCE WITH THE FOLLOWING PROCEDURE:

(1) A meeting of the Joint Governance Committee shall be summoned by the relevant Proper Officer of the Council who shall give a minimum of five clear working days' notice (or less in the case of urgency)

(2) Meetings of the Joint Governance Committee shall be held in public except in so far as the matters for decision relate to issues which can be dealt with in private in accordance with Section 100A (4) and (5) of the Local Government Act 1972 (as amended)

- (3) The order of business at meetings of the Joint Governance Committee shall include the following:
- (a) Apologies for Absence and notification of substitutes
 - (b) Disclosures of Interest
 - (c) Adoption of the Minutes of the previous meeting
 - (d) Matters set out in the agenda for the meeting
 - (e) Matters not set out in the agenda for the meeting but which the chairman agrees pursuant to Section 100B (4) (b) of the Local Government Act 1972 (as amended) should be considered at the meeting as a matter of urgency
- (4) Any matter will be decided by a simple majority of those members of the Joint Governance Committee present and voting at the time the question was put. A vote shall be taken either by show of hands or, if there is no dissent, by the affirmation of the meeting.
- (5) The Joint Governance Committee shall have no function or power delegated to it in any circumstance where a majority decision cannot be made without the need for the chairman or person presiding having to exercise their second or casting vote.

This page is intentionally left blank

Report to Council

Ward(s) affected: n/a

Report of: Strategic Director: Transformation and Governance

Author: John Armstrong

Tel: 01483 444102

Email: john.armstrong@guildford.gov.uk

Date: 10 October 2023

Appointment of Returning Officer and Electoral Registration Officer

1. Executive Summary

- 1.1 Following the process for appointment of the Joint Chief Executive for Guildford and Waverley in 2021, both councils appointed Tom Horwood to that post, and he was also appointed as Guildford and Waverley's Returning Officer and Electoral Registration Officer. In December 2022, Waverley Borough Council appointed Robin Taylor as Waverley's Returning Officer and Electoral Registration Officer.
- 1.2 In the light of Tom Horwood's recent announcement of his proposed departure as Joint Chief Executive, it will be necessary to put in place arrangements for the appointment of Guildford's Returning Officer and Electoral Registration Officer.

2. Recommendation

- 2.1 To appoint, with effect from 1 November 2023, Susan Sale, Joint Executive Head of Legal & Democratic Services, as the Returning Officer for local elections, the Acting Returning Officer for UK Parliamentary Elections, and the Electoral Registration Officer.

3. Reason for Recommendation

- 3.1 The Council is required to have in place appropriate statutory officers, including the appointment of a Returning Officer for the administration of elections and an Electoral Registration Officer for the registration of electors.

4. Background

- 4.1 The Returning Officer (RO) is the person who has the overall responsibility for the conduct of elections in Guildford. Section 35 of The Representation of the People Act 1983 requires the Council to appoint an officer of the Council to be the Returning Officer in local elections. It is the RO's duty to organise and conduct elections.
- 4.2 The RO is an officer of the Council, but the role of the RO is a personal responsibility independent and separate from their duties as an employee of the Council. The RO may appoint one or more persons to discharge all or any of their functions.
- 4.3 Similarly, Section 8 of the 1983 Act requires the Council to appoint an officer of the Council to be the Electoral Registration Officer (ERO). The ERO is the person with the statutory responsibility for the creation and maintenance of the register of electors. The ERO is also the Acting Returning Officer for UK Parliamentary Elections. The High Sheriff of Surrey is the Returning Officer at Parliamentary elections as an honorary position.
- 4.4 The ERO is an officer of the Council, but the role of ERO is also a personal responsibility, independent and separate from their duties as an employee of the Council. The roles of RO and ERO are typically combined and performed by a single person. The appointment to these roles is a function of the Full Council.
- 4.5 Following the process for appointment of the Joint Chief Executive for Guildford and Waverley in 2021, both councils appointed Tom Horwood to that post, and he was also appointed as Guildford and Waverley's RO and ERO. In December 2022, Waverley Borough Council appointed Robin Taylor as Waverley's RO and ERO.

- 4.6 In the light of Tom Horwood's recent announcement of his proposed departure as Joint Chief Executive, it will be necessary to put in place arrangements for the appointment of Guildford's RO and ERO.

5. Financial Implications

- 5.1 When performing their role, the RO is remunerated by an established schedule of fees that are discussed by Surrey councils and with the Government, and recouped, dependent on the election, from the county council and parish councils (in respect of local elections) and from the Government as appropriate (in respect of Police & Crime Commissioner elections and national elections and referenda). The RO's fee for organising and conducting Borough Council elections is paid by the Council.
- 5.2 There are no additional financial implications associated with this proposal.

6. Legal Implications

- 6.1 The Council is required by Sections 8 and 35 of the Representation of People Act 1983 to appoint, respectively, an ERO and RO for local elections (and Acting Returning Officer for UK Parliamentary Elections).

7. Human Resource Implications

- 7.1 There are no human resource implications associated with this proposal.

8. Background papers

None

9. Appendices

None

This page is intentionally left blank

Report to Council

Ward(s) affected: n/a

Report of: Strategic Director: Transformation and Governance

Author: John Armstrong

Tel: 01483 444102

Email: john.armstrong@guildford.gov.uk

Lead Councillor responsible: Merel Rehorst-Smith

Tel: 01483 610581

Email: merel.rehorst-smith@guildford.gov.uk

Date: 10 October 2023

Appointment of Honorary Recorder

1. Executive Summary

- 1.1 Following the formal retirement of His Honour Judge Robert Fraser MVO as a Circuit Judge (and Resident Judge at Guildford Crown Court) at the end of June 2023, the Council is requested to consider the appointment of Her Honour Judge Patricia Lees, who is Judge Fraser's successor as Resident Judge, as the Honorary Recorder for the Borough of Guildford, with immediate effect.

2. Recommendation

- 2.1 To appoint, with immediate effect, Her Honour Judge Patricia Lees, Resident Judge at Guildford Crown Court, as the Honorary Recorder for the Borough of Guildford.

3. Reason for Recommendation

- 3.1 To maintain the historic appointment of an Honorary Recorder for the Borough.

4. Background

- 4.1 Over a period of many centuries, a Recorder was appointed as the presiding Judge for Guildford Quarter Sessions. Over the years, many notable Queen's/King's Counsel had held the position of Recorder of Guildford, including Sir Edward Marshall Hall, James Cassells and Derek Curtis-Bennett.
- 4.2 Quarter Sessions were abolished in 1972, but the former Borough Council decided to exercise the power under Section 54 of the Courts Act 1971 to appoint an Honorary Recorder of Guildford.
- 4.3 His Honour Judge Richard Vick was the first appointee to the post and held the position until his death in 1997. In May 1998, the Council appointed His Honour Judge John Bull QC DL, the then Resident Judge of Guildford Crown Court, to the post, a position he held until October 2010, when His Honour Judge Christopher Critchlow's appointment as Honorary Recorder came into effect. His Honour Judge Fraser succeeded Judge Critchlow as Honorary Recorder in July 2017 until his retirement as resident judge in June 2023.
- 4.4 Her Honour Judge Patricia Lees was appointed formally as the Resident Judge at Guildford Crown Court with effect from 18 July 2023. She was first appointed to the South-Eastern Circuit Bench in 2009. A short biography of HHJ Lees is attached as **Appendix 1** to this report.

5. The Office of Honorary Recorder

- 5.1 The office of Honorary Recorder is purely an honorary role and does not entail the post-holder in any specific duties although the Recorder usually attends and is involved with civic ceremonial events such as the Annual Council meeting, Remembrance Services, etc.

6. Financial Implications

- 6.1 There are no financial implications associated with this proposal.

7. Legal Implications

- 7.1 The Council is empowered by Section 54 of the Courts Act 1971 to appoint an Honorary Recorder.

8. Human Resource Implications

- 8.1 There are no human resource implications associated with this proposal.

9. Background papers

None

10. Appendices

Appendix 1: Short biography of Her Honour Judge Patricia Lees

This page is intentionally left blank

Appointment of Honorary Recorder

Her Honour Judge Patricia Lees

Her Honour Judge Patricia Lees is assigned to the South Eastern Circuit of England & Wales. Prior to her appointment to the circuit Bench in 2009, she practiced at the Bar for 19 years. Her specialism in criminal litigation included extensive experience of both prosecuting and defending in the most serious criminal offences, including homicide, serious sexual violence, drugs offences and fraud. Her particular expertise in cases involving sexual allegations has continued and developed within her judicial career. As a barrister, she was heavily involved in education for the criminal Bar including the rolling out of training in respect of the introduction of intermediaries. She is a judicial lead for the pre-trial cross examination of children and other vulnerable witnesses.

HHJ Lees trains the judiciary and practitioners both nationally and internationally, particularly in relation to sexual offences and the treatment of vulnerable witnesses.

In the UK, she has been a tutor for the Judicial College of England & Wales since 2012 and is the Director of its Serious Sexual Offences Course, which provides the mandatory training for all judges qualified to try cases involving sexual offending and vulnerable witnesses.

HHJ Lees is regularly invited to train the judiciary outside the UK in all matters relating to the trial of sexual offences and the treatment of vulnerable witnesses. She has been instrumental in assisting jurisdictions outside the UK to adapt their approach to trying these difficult and sensitive cases and is currently involved in an overhaul of the approach in Malaysia. In addition, HHJ Lees has recently been appointed to train the Ukrainian judiciary at all levels in preparation for trying war crimes. HHJ Lees provides annual judicial training in criminal law for the judiciaries of both France and Jersey.

Patricia Lees is the co-author of *The Sexual Offences Referencer*, the authoritative text book for practitioners and the judiciary on sexual offences and sentencing in this challenging area. HHJ Lees is a member of the Editorial Advisory Board of *Blackstone's Criminal Practice* (Oxford University Press).

This page is intentionally left blank

Executive

20 July 2023

* Councillor Julia McShane (Chairperson)
Councillor Tom Hunt (Vice-Chair)

* Councillor Angela Goodwin	Councillor Carla Morson
* Councillor Catherine Houston	* Councillor George Potter
* Councillor Richard Lucas	* Councillor Merel Rehorst-Smith

*Present

Councillors Vanessa King and Fiona White were also in attendance.

EX9 Apologies for Absence

Apologies for absence received from Councillors Tom Hunt and Carla Morson.

EX10 Local Code of Conduct - Disclosable Pecuniary Interest

There were no declarations of interest.

EX11 Minutes

The minutes of the meeting held on 22 June 2023 were agreed as a correct record. The Chairman signed the minutes.

EX12 Leader's Announcements

The Leader informed the Executive that the Community Wellbeing team had just been named a finalist in the prestigious BBC "Make a Difference Awards". Out of thousands of nominations, Community Wellbeing really stood out as a shining example of dedication and commitment to improving the lives of those around us. The Leader congratulated the team for this amazing nomination.

Residents would shortly be asked to check that their electoral registration details were up to date. From 4 August we would begin emailing or writing to every household in the borough, encouraging residents to respond as soon as they could. In particular, we would like potential first-time voters to be aware of their right to register. This included 16-17 year olds who could register ahead of their 18th birthday.

The Leader noted that there was potential funding available for climate change projects, and organisations and community groups were encouraged to contact our Climate Change Officer nat.prodger@guildford.gov.uk to find out more.

Last month, the Surrey Environment Partnership (SEP) waste reduction scheme, Rethink Waste, was rolled out to the whole of Surrey. Any resident with a Surrey postcode could now join the scheme, take part and start receiving rewards for reducing their waste. Further details were available on the SEP website.

EX13 General Fund Budget update

The Executive considered a full Council report written by the Chief Executive and Chief Finance Officer that set out a revised General Fund budget statement for 2023/24. The annual budget had been submitted to full Council in February, at which point a deficit was identified and it was agreed that the Joint Management Team would undertake a comprehensive financial review to identify a set of measures to address this deficit and to present a restated budget in July 2023. A number of factors were identified in the report as having influenced the council's financial position and these were presently common to many other councils. Those factors included increasing demand for services, the state of the UK economy over the last year (with high inflation and rising interest rates), and a succession of government funding reductions over many years. For Guildford, a significant factor was the effect of rising interest rates in regard to borrowing in support of various infrastructure and regeneration projects that had increased the Council's overall debt.

The report set out the findings of the comprehensive financial review and recommended actions to mitigate and reduce the risk of the Council reaching a declaration of a Section 114 notice and a financial recovery plan. A S114 Notice would require the Council to cease all non-essential expenditure and reduce operational and service delivery costs immediately. The report included recommendations to establish a task force to deliver the financial recovery plan.

The report had been considered by the Corporate Governance and Standards Committee (CGSC) at a specially convened meeting earlier in the week. The comments arising from that meeting including suggested amendments to the various recommendations were set out in the Supplementary Information Sheet and proposed that the restated budget for 2023/24 include a budget for Planning resources and that a cross-party Executive working group be created to operate in a support and councillor communication role. The CGSC also proposed the Executive note the findings in the report rather than to endorse them.

The report was introduced to the Executive by the Lead Councillor for Finance and Property.

It was observed that the report was comprehensive, robust, and honest. The public and press had been informed of the content of the report as the council proceeded to address the financial issues with openness and transparency.

The CGSC recommendations were accepted in full with the exception of the recommendation to 'note' the findings of the report, the Executive preferred to revert to the original wording of the report and 'endorse' the findings.

Executive comments included the importance of the inclusion for the business case for additional planning resources as it was a priority for the Council to improve performance and would result in savings in the longer term.

The creation a cross-party working group was acceptable.

RESOLVED:

To recommend to full Council on 25 July 2023:

- (1) To approve the restated 2023-24 General Fund Revenue budget, including the business case for additional planning resources.
- (2) To approve the repurposing of earmarked reserves as detailed in the report.
- (3) To endorse the findings in the report.
- (4) To note the response by the Chief Finance (Section 151) Officer to the S114(3) duty and his recommended immediate actions including a range of expenditure controls, which will be managed through a Financial Control Panel consisting of Senior Officers and chaired by the Section 151 Officer.
- (5) To note that a financial recovery plan is being developed by the Chief Finance Officer in liaison with the Joint Management Team, together with milestones and delivery targets, to be reported to October Full Council for approval.
- (6) To endorse the management action of establishing a task force to deliver the financial recovery plan at pace, to provide the capacity, skills, and capability to support recovery.
- (7) To note that the Executive will set up an executive working group for the following purposes:
 - a) to receive and comment on regular updates on the Council's preparations for the Medium-Term Financial Plan restatement in October and its implementation;
 - b) to provide a sounding board for the Executive and officers on the options that are coming forward to close the projected financial gap; and

- c) to guide wider communication with councillors and beyond
- (8) To note that expenditure controls as a feature of how the Council conducts its business will remain in place until such time that the MTFP is balanced, and that such controls shall be determined by the Chief Finance Officer and the Chief Executive, in consultation with the Lead Councillor for Finance and Property.
 - (9) To authorise the Chief Finance Officer and Chief Executive to draw down earmarked funding to provide capacity to address and deliver the financial recovery plan and note that the Chief Finance Officer will continue to engage with expert external assistance and advice.
 - (10) To endorse the proposal to develop an asset disposal strategy to optimise the revenue impact from the divestment (via sale or otherwise) of the Council's assets and address the need to pay off debt, utilising external advice and support to ensure that best value returns are achieved.
 - (11) To agree that a revised Medium-Term Financial Plan be brought to the Executive and Council in October 2023 and then reported quarterly to the Corporate Governance and Standards Committee.

Reason:

To enable the Council to set a balanced budget, which is a statutory requirement and a robust Medium-Term Financial Plan.

EX14 Temporary Shared Staffing Arrangements

On 6 July 2021, Guildford Borough Council and Waverley Borough Council each agreed to create a single management team and bring forward business cases for future collaboration. An inter authority agreement was entered into in April 2022 to govern the arrangements for such jointly appointed staff.

The Executive considered a report seeking to provide authority to enable opportunities relating to staffing to be realised on a temporary basis pending any formal decisions regarding the Transformation and Collaboration Programme in the future.

It was important to ensure that officers had sufficient agility in operational decision making and to be able to embrace opportunities that might arise regarding temporary staffing arrangements. Such arrangements were likely to be beneficial to both councils in terms of cost, efficiency and skills, whilst retaining flexibility for any future longer-term arrangements brought about through the Transformation and Collaboration Programme.

Executive approval was sought to support the principle of shared staffing arrangements, where they support the Transformation and Collaboration Programme, and for the Joint Chief Executive to be able to approve such arrangements where there was a business case to do so.

This report was introduced by the Lead Councillor for Regulatory and Democratic Services.

The Executive noted the mandate awarded to officers previously to take forward the Inter-Authority Agreement at management level had so far provided both councils with around £400,000 in saved staffing costs. Post-election, with new administrations in place in both councils, it was considered a good point in time to move forward. The Executive agreed that proposals offered a more agile staff team that would facilitate collaborative opportunities as they arose. It was also suggested that the proposals would similarly offer development opportunities for staff.

RESOLVED:

- (1) That the principle of sharing staff between Guildford Borough Council and Waverley Borough Council, on a temporary basis, where appropriate to support the collaboration programme be approved.
- (2) That the Joint Chief Executive be authorised to approve, subject to a business case, future temporary staff sharing arrangements between Guildford Borough Council and Waverley Borough Council, to support the collaboration and transformation programme.
- (3) That the Joint Executive Head of Legal and Democratic Services be authorised to enter into an agreement between Guildford Borough Council and Waverley Borough Council for the sharing of their staff on a temporary basis.

Reasons:

- (1) To ensure that officers had sufficient agility in operational decision making to embrace opportunities that may arise regarding temporary staffing arrangements, that are likely to be beneficial to both councils in terms of cost, efficiency and skills, whilst retaining flexibility for any future longer-term arrangements brought about through the Transformation and Collaboration Programme.
- (2) To ensure that there was a robust governance process around the sharing of staff on an interim basis, including arrangements for the sharing of costs,

terminating any such agreements and resolving any disputes in a fair and transparent manner.

EX15 Appointments to External Organisations 2023-27

The council appointed councillors to many types of organisations including local charities, community groups and joint local authority advisory bodies for which they undertook a range of governance or advisory roles. Most councils appoint councillors to external organisations with a view to developing positive working relationships with them for the benefit of their residents and local communities.

Following a major review in 2016-17, the Council made a number of changes both to the type of external organisation to which councillors were appointed, and to the manner by which those appointments were made.

In essence, these changes were as follows:

- To appoint councillors only to such external organisations that:
 - (i) support the Council's Corporate priorities, and/or
 - (ii) assist in delivery of Council services, and/or
 - (iii) are using Council facilities
- To appoint one councillor to each of these external organisations (plus a deputy) for a four-year term of office following Borough Council elections.

In addition, the Democratic Services and Elections Manager was given authority to appoint councillors where there was no contest. Contested vacancies were to be determined by either the Executive or Full Council.

During June and July, councillors had been consulted on the vacancies available and the only contested appointment was in relation to the Guildford Philanthropy Fund Panel in respect of which Councillors Geoff Davis and Vanessa King had been nominated.

The Guildford Philanthropy Fund Panel was designated as a vacancy for the Executive to determine as it was a body created by the Executive in 2014. It was currently run by the Community Foundation for Surrey and assisted disadvantaged residents across the borough.

Both councillors had provided a written submission in support of their application which were set out in Appendix 2 to the report and the Executive was invited to consider which councillor should be appointed.

Councillor Vanessa King was in attendance at the meeting and spoke in support of her nomination.

The Executive considered the written submissions from both councillors and the oral address of Councillor King. It was noted that both candidates showed good qualities for the role, but that Councillor Davis had previously been appointed to this role and had opportunities to be appointed to available vacancies on other organisations. Consequently, the Executive

RESOLVED:

That Councillor Vanessa King be appointed to the Guildford Philanthropy Fund Panel for the period 2023-2027, and that should he choose to accept, Councillor Geoff Davis be appointed as deputy.

Reason:

To ensure that the Council is represented on the Guildford Philanthropy Fund Panel.

The meeting finished at 6.37 pm.

Signed

Date

Chairman

Executive

24 August 2023

* Councillor Julia McShane (Chairperson)

* Councillor Tom Hunt (Vice-Chair)

* Councillor Angela Goodwin

Councillor Carla Morson

* Councillor Catherine Houston

* Councillor George Potter

* Councillor Richard Lucas

* Councillor Merel Rehorst-Smith

*Present

EX16 Apologies for Absence

Apologies for absence were received from Councillor Carla Morson.

EX17 Local Code of Conduct - Disclosable Pecuniary Interest

There were no declarations of interest.

EX18 Minutes

The minutes of the meeting held on 20 July 2023 were confirmed as a correct record. The Chairman signed the minutes.

EX19 Leader's Announcements

The Leader announced that the annual Heritage Open Days would take place between Friday 8 and Sunday 10 September which would allow free access to heritage assets that would, in some cases, usually be closed to the public.

EX20 Vehicle Replacement Programme for 2024/25

The Executive considered a report setting out the anticipated vehicle replacements for 2024/25.

It was proposed that in consideration of the Council's financial position only the waste vehicle fleet should be replaced at this point in time, which was 11 vehicles in total including the entire garden waste fleet. The existing waste vehicles were of an age and use where they were presenting increasing reliability issues which in turn would affect service quality and cost and were in need of replacement at the earliest opportunity in 2024.

The new vehicles would be a 'like for like' replacement. Electric Vehicle (EV) dustcarts had been considered but were still an emerging technology which suggested service and cost risks. Additionally, the Council did not currently have the infrastructure to support an EV fleet without significant investment in the depot which was planned to be closed within a year of the vehicles arriving. Finally, the capital cost of EV vehicles was approximately twice that of standard vehicles, approximately £160,000 per vehicle more expensive on an 8 year life than the equivalent diesel vehicle, after taking into account potential operating savings. Given the fluctuations in interest rates currently, it was argued that borrowing to fund the extra expenditure required to provide an EV fleet would not be prudent. It was hoped that in the future when economic and financial matters were stable, the council would look again at running an EV fleet. Hydrogen fuel cell technology was being increasingly used within buses but was further behind EV for other uses such as dustcarts and might also be an option to consider in the future.

The Executive noted that waste household waste disposal was a statutory obligation for the council and there was a duty to maintain a serviceable fleet at best value to residents. Consequently, the Executive,

RESOLVED:

1. That the programme of replacement vehicles for 2024-25 be approved, and that the sum of £2.15m be moved from the provisional capital programme to the approved capital programme.
2. That authority be delegated to the Executive Head of Environmental Services to carry out a compliant procurement process, award the contracts to the successful tenderers, and, in consultation with the Executive Head of Legal & Democratic Services and the Lead Councillor, enter into the relevant contracts.

Reason:

To allow for the replacement of the waste and garden waste vehicles in 2024.

EX21 Review of Guildford Borough Council's Covert Investigative Powers Policy and alignment with the Policy of Waverley Borough Council

Historically, Guildford and Waverley had separate policies in relation to covert surveillance. Both policies were somewhat out of date in respect of Communications Data terminology and procedure as implemented by the Investigatory Powers Act 2016.

The Executive considered a report that presented a new draft policy at combining the best parts of both councils' documents into a coherent policy, covering practice, procedure, examples and social media guidance.

Waverley Borough Council would consider the same policy. Provided the same policy was adopted by Waverley Borough Council, there would be clarity and consistency of both councils having an identical policy for employees and others employed jointly by the two councils or working collaboratively on joint or shared services or projects. The two councils having an identical policy would put them in a strong position to support any future decisions to progress and extend the current collaborative working.

The Executive agreed that it was essential to have robust, up to date guidance and procedures in regard to the council's duties concerning any covert surveillance undertaking, and that the policies should be in-line with Waverley Borough Council given the increasing collaborative relationship between the two authorities. Therefore, the Executive,

RESOLVED:

That the draft Covert Investigative Powers Policy, as set out in Appendix 1 to the report submitted to the Executive be adopted, subject to the same policy being adopted by Waverley Borough Council.

Reasons:

1. To align the policies of Guildford and Waverley and to improve consistency in reporting, monitoring and approval of covert surveillance and acquisition of communications data.
2. To ensure the integrity of the processes in place for the use of directed surveillance, covert human intelligence sources (CHIS) and acquiring communications data.
3. To maintain compliance with the Legislation and Codes of Practice that govern Investigatory powers and Human Rights
4. To ensure collaborative engagement with the IPCO and their inspectors
5. To ensure staff are fully trained and aware of their powers, duties and the authorisation process.

EX22 Executive Working Groups 2023

The Executive or individual lead councillors could convene working groups to undertake more detailed and extensive business than the Executive by itself would have time to undertake. Such working groups were non-decision making

and would report back to the Executive as appropriate. The Council's Constitution stated that the Executive should annually consider the continuation of such working groups. Where there was a preference for certain working groups to continue, the Executive was asked to agree in respect of each group, the chairman, the terms of reference, and to appoint councillors to them.

The Executive considered the annual report that set out all of the existing working groups with a recommendation if they should continue or be disbanded.

This year, the Executive was asked to continue with all working groups except for one. The Community Board was recommended for deletion as it had never met and consequently had not made any contribution. The Executive was asked to agree to one new working group, which was referred to in the Budget Update report to Council on 25 July. This was the Financial Recovery Executive Working Group, and its draft terms of reference were set out in Appendix 9.

It was noted that although the membership of Executive working groups was at the discretion of the Executive, the Executive as a body and lead councillors strove to appoint membership of the groups across the political parties so as include the skills and experience available across the council membership. The Executive was minded that political inclusion to best serve those working groups would be expected by residents. The Leader of the Council encouraged elected councillors regardless of political persuasion to come forward should they wish to be involved. Thereafter, the Executive,

RESOLVED:

1. That the working groups recommended to continue as specified in Appendix 1 and listed in paragraph 2.1 of the report submitted to the Executive, be retained and that those working groups continue to operate under the terms of reference and membership as set out in Appendices 2 to 9.
2. That, where membership of those working groups listed to continue do not have full membership, the appropriate lead councillor shall liaise with group leaders to fill those vacancies.
3. That the Community Board be disbanded.
4. That the draft terms of reference for the new Financial Recovery Executive Working Group, as set out in Appendix 9, be approved.

Reasons:

1. To assist the Executive to select or set up appropriate, properly resourced groups to provide support or undertake work on its behalf.

Agenda item number: 14

2. To comply with the requirement on the part of the Executive to periodically review the continuation of the various Working Groups in accordance with Council Procedure Rule 24 (k).
3. The Community Board, this group has not met since being created and has made no contribution.
4. To comply with the recommendations of the Council meeting on 25 July 2023.

The meeting finished at 6.20 pm

Signed

Date

Chairman