

GUILDFORD BOROUGH COUNCIL



**MIAH
MAYOR**

Contact Officer:

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

30 January 2024

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 **WEDNESDAY 7 FEBRUARY 2024** 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 7 - 18)

To confirm the minutes of the extraordinary meeting of the Council held on 23 January 2024.

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

Details of any questions (including a written response to them) or requests to make statements received from the public will be set out in the Order Paper which will be published on the day of the meeting.

7. QUESTIONS FROM COUNCILLORS

Details of any questions from councillors (including a written response to them) will be set out in the Order Paper which will be published on the day of the meeting.

8. PAY POLICY STATEMENT 2024-25 (Pages 19 - 34)

9. CAPITAL AND INVESTMENT STRATEGY 2024-25 TO 2028-29 (Pages 35 - 190)

10. HOUSING REVENUE ACCOUNT BUDGET 2024-25 (Pages 191 - 218)

11. GENERAL FUND REVENUE BUDGET 2024-25 AND MEDIUM-TERM FINANCIAL PLAN 2024-25 TO 2026-27 (Pages 219 - 312)

12. MINUTES OF THE EXECUTIVE (Pages 313 - 330)

To receive and note the attached minutes of the meetings of the Executive held on 23 November 2023 and 4 January 2024.

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GUILDFORD BOROUGH COUNCIL

Minutes of an extraordinary meeting of Guildford Borough Council held in the Council Chamber, Millmead House, Millmead, Guildford, Surrey GU2 4BB on Tuesday 23 January 2024

* The Mayor, Councillor Masuk Miah

* The Deputy Mayor, Councillor Sallie Barker MBE

- | | |
|--------------------------------|----------------------------------|
| * 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 OBE |
| 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 Aldermen Sarah Creedy and David Wright were also in attendance.

CO88 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Dawn Bennett, David Bilbé, Honor Brooker, Ruth Brothwell, Amanda Creese, Tom Hunt Steven Lee, Katie

Steel, and Keith Witham; and from Honorary Freeman Keith Churchouse and Honorary Aldermen Catherine Cobley, Jayne Marks, Tony Phillips, Lynda Strudwick, and Jenny Wicks.

CO89 DISCLOSURES OF INTEREST

There were no disclosures of interest.

CO90 MINUTES

The minutes of the ordinary meeting of the Council held on 5 December and the extraordinary meeting held on 19 December 2023 were approved as a correct record. The Mayor signed the minutes.

CO91 MAYOR'S COMMUNICATIONS

The Mayor was delighted to report to the Council that the Mayor's Christmas Concert, organised by The Rotary Club of Guildford Wey and the Vivace Chorus, had raised just over £4,300 for the Mayor's Local Support Fund and his chosen charity, The Fountain Centre. The Mayor thanked everyone involved in organising and delivering the concert, and to all those who had bought tickets and donated to the retiring collection.

The Mayor was also very pleased to announce that this year's Mayor's Awards for Service to the Community had recently been launched, and that the closing date for nominations was Friday 2 February 2024.

CO92 LEADER'S COMMUNICATIONS

The Leader announced the following changes to the Executive, which came into effect on 8 January 2024:

- (a) Councillor Fiona White was the new Lead Councillor for Planning.
- (b) Councillor Potter's portfolio title had changed from Lead Councillor for Planning, Environment & Climate Change to Lead Councillor for Environment & Climate Change

In response to a question seeking clarification as to whether the separation of Planning from Environment & Climate Change meant that there would be a greater focus on climate change for the year ahead, the Leader stated that all areas of Executive responsibilities were important and that the Executive would continue to push ahead with all of those areas of responsibility, subject to ensuring that the Council's finances were sustainable going forward.

CO93 PUBLIC PARTICIPATION

There were no questions or statements from the public.

CO94 QUESTIONS FROM COUNCILLORS

There were no questions from councillors.

CO95 GBC/WBC JOINT GOVERNANCE COMMITTEE - TERMS OF REFERENCE

The Council considered a report on proposed amendments to the terms of reference of the Guildford & Waverley Joint Governance Committee (JGC). The proposals had been put forward at the request of the Joint Executive Head of Legal & Democratic Services, and had been considered initially by the JGC on 1 November, and subsequently by the Joint Constitutions Review Group (JCRG) on 30 November 2023.

The proposed amendments had focused mainly on the inclusion of the Temporary Shared Staffing Inter Authority Agreement (IAA), periodic review periods, frequency of meetings, quorum, use of substitutes, procedures for electing a chairperson (in the absence of a Co-Chair) and voting. The amendments had also included the rephrasing of text for clarity and correcting some minor typos.

The JCRG had recommended approval of the proposed amendments to the JGC's terms of reference to both the Corporate Governance & Standards Committee and to Waverley's Standards & General Purposes Committee at their respective meetings in January, with a further recommendation that each committee recommends the adoption of the amended terms of reference to their respective full Council meetings.

The Council noted that, at their meetings held respectively on 8 and 18 January 2024, Waverley's Standards & General Purposes Committee and the Corporate Governance & Standards Committee had endorsed the proposed amendments for adoption by both councils.

Upon the motion of the Lead Councillor for Regulatory & Democratic Services, Councillor Merel Rehorst-Smith, seconded by the Leader of the Council, Councillor Julia McShane the Council

RESOLVED: That, subject to the approval of Waverley Borough Council at its extraordinary meeting on 24 January 2024, the proposed amended terms of reference for the Guildford & Waverley Joint Governance Committee, as set out

in Appendix 3 to the report submitted to the Council, be adopted into the Constitution with effect from 25 January 2024.

Reason:

To ensure both councils continue to adopt and exercise strong governance arrangements for inter-authority working.

CO96 REVIEW OF THE CONSTITUTION: OFFICER EMPLOYMENT PROCEDURE RULES

The Council considered a report on the proposed revision of the Officer Employment Procedure Rules within Part 4 of the Council's Constitution. The report, together with the proposed new Officer Employment Procedure Rules, had been considered initially by the Joint Constitutions Review Group (JCRG) at its meeting on 30 November 2023.

As part of the current collaborative work programme to update both Guildford's and Waverley's Constitutions, the Joint Executive Head of Legal and Democratic Services had deemed the Officer Employment Procedure Rules as a high priority, requiring urgent attention, particularly at Waverley where none currently existed, and Guildford's were considerably out of date.

The proposed new Officer Employment Procedure Rules had been drafted using examples of good practice, based on the statutory framework. These procedure rules would apply only to the Joint Management Team (JMT).

The Council noted that the JCRG had recommended approval of the new Officer Employment Procedure Rules to both the Corporate Governance & Standards Committee and to Waverley's Standards & General Purposes Committee at their respective meetings in January, with a further recommendation that each committee recommends the adoption of the new procedure rules to their respective full Council meetings.

The JCRG had also considered related proposals to expand the remit of the existing Joint Appointments Committee to include procedures for disciplinary action against, and the dismissal of, joint senior members of staff. Consequently, it would also be necessary to change the name of the Committee to "Joint Senior Staff Committee".

The Council noted that the current terms of reference of the Employment Committee, included matters relating to the employment (including appointment, disciplinary action, and dismissal) of the Council's most senior officers. The procedures for dealing with those matters were set out in the existing Officer Employment Procedure Rules. The Employment Committee's terms of reference

did not take into account the collaboration between the two councils, and the establishment of the JMT and the Joint Appointments Committee. They were therefore out of date, of no practical use and were superfluous and in contradiction to the terms of reference of the Joint Appointments Committee.

Approval of the new Officer Employment Procedure Rules would therefore, as a consequence, require the formal disbandment of the Employment Committee as its remit would be subsumed into the Joint Senior Staff Committee.

It was noted, however, that the Employment Committee's terms of reference also included "*approval of the Council's human resources policies*", which were not within the remit of the Joint Appointments Committee, or within its expanded remit as the Joint Senior Staff Committee. It was therefore proposed that this function be delegated to the Head of Paid Service.

The Council noted that, at their meetings held respectively on 8 and 18 January 2024, Waverley's Standards & General Purposes Committee and the Corporate Governance & Standards Committee had endorsed the proposed new Officer Employment Procedure Rules for adoption by both councils. The Waverley Committee had suggested a minor amendment, details of which were set out in the report. The Corporate Governance & Standards Committee supported the amendment and also the proposal to disband the Employment Committee and to delegate the function of approval of human resource policies to the Head of Paid Service.

Upon the motion of the Lead Councillor for Regulatory & Democratic Services, Councillor Merel Rehorst-Smith, seconded by the Leader of the Council, Councillor Julia McShane the Council

RESOLVED:

- (1) That, subject to the agreement of Waverley Borough Council at its extraordinary Council meeting on 24 January 2024:
 - (a) the new Officer Employment Procedure Rules, as set out in Appendix 1 to the report submitted to the Council, be adopted into the Constitution with effect from 25 January 2024, subject to the inclusion in the Officer Employment Procedure Rules of a reference to the schedule of proper officers listed in part 3 of the Constitution, and that they replace the Council's existing Officer Employment Procedure Rules;
 - (b) the revised terms of reference for the Joint Appointments Committee and change of its name to "Joint Senior Staff Committee" to reflect its

expanded responsibilities, as set out in Appendix 4 to the report, be adopted; and

- (c) the Monitoring Officer be authorised to convene, where necessary, an Independent Panel, as provided for in the Officer Employment Procedure Rules.
- (2) That the Employment Committee be disbanded.
- (3) That the Head of Paid Service be authorised to approve, where necessary, any human resources policies that apply to Guildford Borough Council.
- (4) That the Council confirms the GBC membership of the Joint Senior Staff Committee, for the remainder of the 2023-24 municipal year, as being:
- Councillor Philip Brooker
 - Councillor Julia McShane
 - Councillor Fiona White

Reasons:

To ensure that both Guildford and Waverley have adequate arrangements in place to deal with the employment of all officers including senior management and statutory officers. Approval of the new Officer Employment Procedure Rules will be the first step in the process to align the constitutions of Guildford and Waverley where appropriate to do so.

CO97 AMENDMENTS TO THE GUILDFORD BOROUGH COUNCIL AND WAVERLEY BOROUGH COUNCIL PRE-ELECTION PUBLICITY & DECISION-MAKING POLICY

The Council was reminded that both Guildford and Waverley Borough Councils had adopted an identical Pre-Election Publicity & Decision-Making Policy in April 2022. The main purpose of the policy was to protect the interests of the Council, and to provide guidance to Councillors and Officers on publicity and the use of Council resources during the pre-election period.

A key aspect of the existing Policy was to limit the Council and Committee meetings during the pre-election period. Specifically:

- Regular Full Council, Executive, and Committee meetings (excluding Planning Committee, Licensing Sub-Committee and Licensing Regulatory Sub-Committee) would not be scheduled during the pre-election period;

- Where an unscheduled election was called, meetings scheduled to take place in the pre-election period (other than meetings of the Planning Committee, Licensing Sub-Committee and Licensing Regulatory Sub-Committee) might be cancelled if it was considered by the Joint Chief Executive prudent to do so; and
- Extraordinary Full Council and/or Special Committee meetings would be arranged if, in the opinion of the Joint Chief Executive and Monitoring Officer, it was considered to be in the Council's interests to hold them for urgent items of business.

However, after further careful review and consideration, it was proposed that the Pre-Election Publicity & Decision-Making Policy be amended to provide more flexibility for the Proper Officers of both councils to assess and decide which council meetings could be held during the pre-election period on a case-by-case basis. Such an approach provided the Proper Officers with the flexibility to take into account whether the forthcoming election was in respect of Borough elections, or another election, and the level of political sensitivity around each election which could impact on Council business.

The Council considered a report which recommended the adoption of a revised Pre-Election Period Publicity & Decision-Making Policy, which focused on the Pre-Election published guidance by the former DCLG and LGA which emphasised that councils should continue to discharge normal council business i.e., 'Business as usual'.

The report had been considered initially by the Joint Constitutions Review Group (JCRG) at its meeting on 18 December 2023. The JCRG supported the proposed revised Policy, and had referred it to the Corporate Governance & Standards Committee and Waverley's Standards & General Purposes Committee for formal consideration, with a further recommendation that each committee recommends the adoption of the proposed revised Policy to their respective full Council meetings.

At its meeting on 8 January 2024, Waverley's Standards & General Purposes Committee, endorsed the recommendation, subject to an amendment of the fourth bullet point in paragraph 8 of the Policy as follows:

- *"continue with business as usual Council, Executive, and Committee meetings, subject to the proviso that the business to be transacted at those meetings, including motions brought and conduct displayed at those*

meetings, does not, in the view of the Monitoring Officer, contravene the provisions of this policy”.

The Corporate Governance & Standards Committee, at its meeting on 18 January 2024, also endorsed the revised Policy and had supported the amendment proposed by the Waverley Committee.

Upon the motion of the Lead Councillor for Regulatory & Democratic Services, Councillor Merel Rehorst-Smith, seconded by the Leader of the Council, Councillor Julia McShane the Council

RESOLVED: That, subject to the agreement of Waverley Borough Council at its extraordinary Council meeting on 24 January 2024, the revised Pre-Election Publicity & Decision-Making Policy, as set out in Appendix 3 to the report submitted to the Council, be adopted for inclusion in the Council’s Constitution, subject to the amendment of the fourth bullet point in paragraph 8 of the Policy as follows:

- continue with *business as usual* Council, Executive, and Committee meetings, subject to the proviso that the business to be transacted at those meetings, **including motions brought and conduct displayed at those meetings**, does not, in the view of the Monitoring Officer, contravene the provisions of this policy.

Reasons:

- To protect the interests of the Council, and to provide guidance to Councillors and Officers on publicity and the use of Council resources during the pre-election period.
- To provide further flexibility for the Councils’ Proper Officers to assess and decide which council meetings can be held during the pre-election period.

CO98 GUILDFORD BOROUGH COUNCIL AND WAVERLEY BOROUGH COUNCIL MONITORING OFFICER PROTOCOL

As part of the current work programme to update the constitutions of both Guildford and Waverley Borough Councils, the Joint Executive Head of Legal and Democratic Services had deemed the introduction of a Monitoring Officer Protocol into the Constitutions as a high priority, to ensure that both councils had the proper procedures in place to allow the Joint Monitoring Officer to effectively discharge their statutory obligations at both councils.

The Council considered a report which had set out a proposed Monitoring Officer Protocol describing the manner in which the Council expected the Monitoring

Officer to discharge their functions and how it expected Officers and Members to co-operate with the Monitoring Officer in order to enable them to discharge those functions effectively.

The report had been considered initially by the Joint Constitutions Review Group (JCRG) at its meeting on 18 December 2023. The JCRG supported the adoption of the proposed Protocol by both councils and had referred it to the Corporate Governance & Standards Committee and Waverley's Standards & General Purposes Committee for formal consideration, with a further recommendation that each committee recommends the adoption of the proposed Protocol to their respective full Council meetings.

At its meeting on 8 January 2024, Waverley's Standards & General Purposes Committee, had endorsed the proposed Protocol subject to two minor amendments, details of which were set out in the report.

The Corporate Governance & Standards Committee, at its meeting on 18 January 2024, also endorsed the proposed Protocol and had supported the amendments proposed by the Waverley Committee.

Upon the motion of the Lead Councillor for Regulatory & Democratic Services, Councillor Merel Rehorst-Smith, seconded by the Leader of the Council, Councillor Julia McShane the Council

RESOLVED: That, subject to the agreement of Waverley Borough Council at its extraordinary Council meeting on 24 January 2024, the Monitoring Officer Protocol, as set out in Appendix 1 to the report submitted to the Council, be adopted for inclusion in the Council's Constitution, subject to:

- (a) the amendment of the first bullet point in paragraph 4.0 of the Protocol as follows:
 - *"The Monitoring Officer, rather than the Council, will nominate at least one Officer as Deputy Monitoring Officer, with the power to act as Monitoring Officer where the Monitoring Officer is unable to act as a result of absence, ~~or~~ illness, or conflict of interest; and"*
- (b) the amendment of the sixth bullet point in paragraph 5.2 of the Protocol to reflect the Monitoring Officer being responsible for providing or obtaining legal advice rather than necessarily being the principal legal adviser to the Council.

Reason:

To protect the interests of the Council, and to provide guidance on how it expects Officers and Members to co-operate with the Monitoring Officer to enable them to discharge their functions effectively.

CO99 SELECTION OF MAYOR AND DEPUTY MAYOR 2024-25

The Council considered a report on nominations received for election of Mayor and appointment of Deputy Mayor for the municipal year 2024-25. The constitutional changes adopted by the Council in April 2014 in respect of the Mayoralty, provided that the Council would normally elect the Deputy Mayor appointed at the annual meeting of the Council as Mayor at the next succeeding annual meeting.

Political group leaders had been asked to submit nominations in respect of the Deputy Mayoralty for 2024-25. Councillor Howard Smith had been the only nomination received.

Accordingly, the Council was asked to consider the nominations of Councillors Sallie Barker MBE and Howard Smith respectively for Mayor and Deputy Mayor in 2024-25. Both councillors left the meeting during the Council's consideration of the nominations.

Upon the motion of the Leader of the Council, Councillor Julia McShane, seconded by Councillor Philip Brooker, the Council

RESOLVED:

- (1) That the Deputy Mayor, Councillor Sallie Barker MBE be nominated for the Mayoralty of the Borough for the 2024-25 municipal year.
- (2) That Councillor Howard Smith be nominated for the Deputy Mayoralty of the Borough for the 2024-25 municipal year.

Reason:

To make early preparations for the selection of the Mayor and Deputy Mayor for the 2024-25 municipal year.

CO100 APPOINTMENT OF INTERIM JOINT CHIEF EXECUTIVE/HEAD OF PAID SERVICE

The Council was informed that, following the appointment by both Guildford and Waverley Borough Councils in December 2023 of Pedro Wrobel as Joint Chief Executive and Head of Paid Service, it would be necessary to make an interim appointment for two months between 9 February (when Tom Horwood was due to leave) and 8 April 2024 (when Mr Wrobel was due to start).

The Council considered a report which had set out the approach that had been followed in respect of the appointment of an interim Joint Chief Executive and Head of Paid Service to cover this role between those dates.

The Leaders of Guildford and Waverley Borough Councils had invited expressions of interest from the current Joint Strategic Directors in respect of covering the interim role for both authorities.

At its meeting held on 15 January 2024, the Joint Appointments Committee (JAC) had considered the expressions of interest put forward from two of the Joint Strategic Directors and conducted interviews with them. The JAC had made the following recommendation to both councils:

“That, whilst both candidates were considered to be appointable to the role, confirmation of a formal offer of appointment to the role of Interim Joint Chief Executive, and designation as Head of Paid Service, for both Guildford and Waverley Borough Councils be made to Annie Righton, Joint Strategic Director: Community Wellbeing, subject to:

- (a) the salary for the interim role being set at a level equivalent to the current salary for the Joint Chief Executive/ Head of Paid Service post, pro-rata for two months; and
- (b) no material or well-founded objection being made by either of the two Council Leaders on behalf of their respective Executives, in accordance with the provisions of Paragraph 5 of Part II of Schedule 1 to the Local Authorities (Standing Orders) (England) Regulations 2001”.

In accordance with the requirements of the 2001 Regulations referred to above, the Executive members of both councils had been asked to confirm, with their respective Leaders before the meeting, whether they had any well-founded objections to the appointment of Annie Righton as Interim Chief Executive and Head of Paid Service. No such objections had been received.

Annie Righton left the meeting during the Council’s consideration of this matter.

Upon the motion of the Leader of the Council, Councillor Julia McShane, seconded by the Lead Councillor for Planning, Councillor Fiona White, the Council

RESOLVED: That, subject to the agreement of Waverley Borough Council at its extraordinary Council meeting on 24 January 2024, confirmation of a formal offer of appointment to the role of Interim Joint Chief Executive, and designation as Head of Paid Service, for both Guildford and Waverley Borough Councils be made

to Annie Righton, Joint Strategic Director: Community Wellbeing, subject to the salary for the interim role being set at a level equivalent to the current salary for the Joint Chief Executive/ Head of Paid Service post, pro-rata for two months.

Reason:

To appoint an interim Joint Chief Executive and Head of Paid Service, as part of the agreed collaboration arrangements between Guildford and Waverley Borough Councils to ensure compliance with the requirements of Section 4 of the Local Government and Housing Act 1989.

The meeting finished at 7.34 pm

Signed

Mayor

Date

Guildford Borough Council

Report to: Council

Date: 7 February 2024

Ward(s) affected: n/a

Report of Chief Executive (Head of Paid Service)

Author: Francesca Chapman, Lead Specialist HR

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Pay Policy Statement 2024-25

1. Executive Summary

- 1.1 Sections 38 to 42 of the Localism Act 2011 require that local authorities produce an annual policy statement that covers a number of matters concerning the pay of the authority's staff, in particular our approach to the pay of our senior management and our lowest paid employees, and the relationship between the two. The aim behind this Pay Policy Statement is to ensure that our approach to pay is transparent. This policy statement meets the requirements of the Localism Act in this regard and also meets the requirements of guidance issued by the Secretary of State for Housing, Communities and Local Government to which the authority is required to have regard under Section 40 of the Act.
- 1.2 Following approval by full Council we will publish this Pay Policy Statement on our website at <http://www.guildford.gov.uk/transparencydata>. Any subsequent amendment to this statement made during the financial year will be similarly published.

- 1.3 Data on pay and rewards for staff is published on our website in line with the Code of Recommended Practice for Local Authorities on Data Transparency and the Accounts and Audit Regulations 2015.

2. Recommendation to Council

- 2.1 That the Pay Policy Statement for the 2024-25 financial year, attached at Appendix 1 to this report, be approved.

3. Reasons for Recommendation:

- 3.1 To comply with the Localism Act 2011 (Section 39)

4. Exemption from publication

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

5. Purpose of Report

- 5.1 Under Section 39 of the Localism Act 2011, the Council is required to consider and approve a pay policy statement for the financial year ahead. This report seeks approval for a statement covering 2024-25, which is set out in **Appendix 1**.

6. Strategic Priorities

- 6.1 The statement supports the Council's mission and values to be efficiently run and to deliver value for money while also demonstrating that we have effective governance in place to manage pay and remuneration for all our staff.

7. Background

- 7.1 The Localism Act 2011 (the Act) includes a clear expression of the Government's desire that taxpayers can access information about how public money is spent on their behalf. It translates this into a requirement for improved transparency over both senior council officers' pay and that of the lowest paid employees. To support this, the Act requires us to publish an annual pay policy statement and Council approved the first of these annual statements on 9 February 2012.

7.2 The Act sets out specific information that we must include in our pay policy statement and also defines the process for a pay policy statement that:

- must be approved formally by Council
- must be approved by the end of March every year for the following financial year
- must be published on the Council's website as soon as it is approved
- makes provision for Council to make in year amendments to the statement at any time and this function cannot be delegated.

7.3 The Chief Executive (who is employed by Waverley Borough Council but is shared by Guildford Borough Council) has delegated authority, in consultation with the Leader of the Council, to agree any pay award for Guildford Borough Council's staff so long as it is within the budget approved by Council.

8. Equality and Diversity Implications

8.1 The Council's duty under section 149 of the Equality Act 2010 is to have due regard to the matters set out in relation to equalities when considering and making decisions. The Pay Policy Statement is designed to bring fairness and equality to the application of pay and remuneration within the Council. There are no direct equality impacts associated with agreeing the Pay Policy Statement itself.

9. Financial Implications

9.1 All of the financial elements of the Pay Policy Statement are included in the 2024-25 draft budget to be considered and approved by Council separately at its meeting on 7 February 2024.

10. Legal Implications

10.1 The Pay Policy Statement is a requirement of section 38 (1) of the Localism Act 2011 that sets a statutory duty on Local Authorities annually to publish a statement approved by Council by the end of the financial year and relating to the new financial year. Failure to comply could lead to a legal challenge to the Council and therefore it

is important that the statement reflects the Act and all the associated statutory guidance.

- 10.2 During 2024-25, we will continue to monitor and review all aspects of the Pay Policy Statement in the light of relevant legislation, statutory guidance, best practice and the changing landscape of pay policy in local government and the wider public sector. This will ensure that future statements continue to meet the changing business needs and future challenges facing the Council.

11. Human Resource Implications

- 11.1 The Pay Policy Statement clearly relates to human resource management issues. We have fully considered and planned for these during 2024-25. The application of this statement and its requirements will be applied to staff consistent to the Council's HR policies and procedures and the relevant legislation applicable at the time. There are therefore no additional human resource implications to publishing the Pay Policy Statement itself.

12. Conclusion

- 12.1 The Pay Policy Statement is required to comply with legislation and also supports our long-standing approach of openness and transparency about pay.
- 12.2 The Council is fulfilling its obligation by adopting and publishing the Pay Policy Statement 2024-25.

13. Background Papers

Communities and Local Government Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5956/2091042.pdf

Communities and Local Government Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act
Supplementary Guidance

[https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/85886/Final Supplementary Pay Accountability Guidance 20 Feb.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/85886/Final_Supplementary_Pay_Accountability_Guidance_20_Feb.pdf)

14. Appendices

Appendix 1: Pay Policy Statement 2024-25

Appendix 2: Pay Benefits

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PAY POLICY STATEMENT FINANCIAL YEAR 2024-2025

1. Introduction

In determining pay and remuneration, the Council recognises the need to exercise the greatest care in managing scarce public resources while securing and retaining high quality employees. We believe that the principle of fair pay is important and are committed to ensuring that our salaries and payments are subject to the principles of fairness, openness, and consistency and these can be tested against value for money and equal pay.

The level of remuneration is a very important factor in both recruitment and retention. We therefore need to balance affordability with creating a pay and benefits framework that ensures we can recruit, retain, motivate, and develop employees who have the skills and capabilities necessary to ensure the continued provision of high-quality services.

We aim to design our pay policies and procedures to ensure that pay levels reflect the relative demands and responsibilities of posts, together with the knowledge, skills, and capabilities necessary to ensure that the post's duties are undertaken to the required standard.

2. Purpose

Sections 38 to 42 of the Localism Act 2011 require that local authorities produce an annual policy statement that covers a number of matters concerning the pay of the authority's staff, in particular our approach to the pay of our senior management and our lowest paid employees, and the relationship between the two. The aim behind this Pay Policy Statement is to ensure that our approach to pay is transparent. This policy statement meets the requirements of the Localism Act in this regard and also meets the requirements of guidance issued by the Secretary of State for Housing, Communities and Local Government to which the authority is required to have regard under Section 40 of the Act.

Following approval by full Council we will publish this Pay Policy Statement on our website at <http://www.guildford.gov.uk/transparencydata>. Any subsequent amendment to this statement made during the financial year will be similarly published.

Data on pay and rewards for staff is published on our website in line with the Code of Recommended Practice for Local Authorities on Data Transparency and the Accounts and Audit Regulations 2015.

3. Decision making on pay

Our overall approach to remuneration for all employees is based on compliance with equal pay, discrimination, and other relevant employment legislation such as the Equality Act 2010, plus ensuring that our overall remuneration packages align with market norms for local government and public sectors. We also take account of pay levels in the local area, including neighbouring public sector employers and the relative cost of living in the local area, particularly housing costs.

Our pay rates and grading structure are determined locally, and a local pay negotiation process is used. Our employees have locally agreed terms and conditions of employment which are incorporated into their contracts of employment. We apply the UK real Living Wage at our minimum salary point.

All pay differentials can be justified objectively using job evaluation mechanisms that directly establish the relative levels of posts in pay bands according to the requirements, demands and responsibilities of the post.

The Council's pay policy is based on a pay and grading structure that is comprised of pay bands with a number of incremental points. An employee's pay progression will normally be one increment (pay spine column point within a band) on 1 April each year, until the top of the band is reached. Pay progression is subject to satisfactory performance and behaviours that are assessed as part of the Council's performance review process.

Depending on the Council's financial situation, we may agree a cost-of-living increase for all staff from 1 April each year. The Chief Executive in consultation with the Leader of the Council agrees the award provided

that it is within the available budget. We do not pay any bonuses or non-consolidated performance contribution payments.

4. Senior Management pay structure

The Council shares a Joint Management Team with Waverley Borough Council, including a joint Chief Executive (who is also the joint Head of Paid Service for both Councils), Directors and Executive Heads of Service. The Joint Management Team is employed by Waverley Borough Council, therefore these roles are not within this Council's Pay Policy, but are within Waverley's [Senior Management Team](#). The Joint Management Team's terms and conditions of employment are determined by Waverley Borough Council. The annual pay award for the Joint Chief Executive is determined by the Joint Senior Staff Committee (formerly the Joint Appointments Committee). The costs of the Joint Management Team are shared across the two councils.

Our policy is to make a payment to those management officers working within the Council who have additional responsibilities in respect of statutory roles as follows:

Deputy Monitoring Officer - £1,500 per annum
Deputy Section 151 Officer - £1,500 per annum
Data Protection Officer - £3,000 per annum

These payments will not be reduced where there is a requirement for two officers to share the responsibilities of Deputy Monitoring Officer and/or Deputy Section 151 Officer.

5. Remuneration of our lowest paid employees

We define our lowest paid employees as those paid on the lowest grade, that is Band 1, of the Council's pay and grading structure, currently starting at £22,324 (increase on 1.4.24) per annum. We pay above the Real Living Wage (for outside London) at the bottom of our pay scale.

6. Pay relationships

This section sets out our overall approach to ensuring pay levels are fairly and appropriately dispersed across the organisation including the Council's current pay multiple. The 'pay multiple' is the ratio between the highest paid salary and the median average salary of our workforce.

The Council's current pay multiple (as at November 2023) is 1: 2.4. We consider that the current pay multiple, as identified above, represents an appropriate, fair, and equitable internal pay relationship between the highest salary and that which applies to the rest of the workforce.

7. Remuneration on appointment and re-appointment

Newly appointed staff would normally start on the lowest point in the pay range for their job evaluated post; however, where a successful candidate possesses the skills and experience to justify a higher salary they may be appointed at a higher point, and this is also common where a post is hard to recruit to.

Any proposal to offer a new senior appointment on terms and conditions which include a total remuneration package of £100,000 or more, including salary, fees, allowances, and any benefits in kind to which the officer would be entitled as a result of their employment (but excluding employer's pension contributions), will be referred to the Council for approval. This will be before any offer is made to a particular candidate.

Former employees in receipt of a LGPS pension or a redundancy payment may be re-employed by the Authority. If a former employee leaves the Authority by reason of redundancy the individual cannot be reappointed to their former post as it will not exist. Following redundancy, the employee must have a break in local government employment of four weeks otherwise we may apply the provisions of the Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999 regarding the recovery of redundancy payments where appropriate.

In the event that we employ a senior manager who is already in receipt of a pension under the LGPS, the rules on abatement of pensions adopted by the Council's Administering Authority for the LGPS, pursuant to Regulations 70 and 71 of the Local Government Pension Scheme (Administration) Regulations 2008 must be applied. These currently provide that there will be no abatement of pension in these circumstances.

8. Payment upon termination of employment

Any termination or severance payment we make to any of our employees (in the interests of efficiency of the service or on grounds of redundancy) will be made in accordance with the statutory terms under the Local Government Pension Scheme (LGPS) or the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, as applicable. Statements of policy on the exercise of discretions within the LGPS and the Discretionary Compensation Regulations do not amount to any contractual commitment to individual employees on future severance payments.

Termination payments

In accordance with the (former) Department for Communities and Local Government supplemental statutory guidance issued in February 2013 titled 'Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011', any proposal to make a termination payment of £100,000 or more will be referred to the Council for approval and will only be agreed in exceptional circumstances. In the event of such a payment being proposed, a detailed breakdown of the components (for example redundancy pay, pension, pension strain, severance payment) will be provided for councillors.

Special Severance Payment

Special Severance Payments are payments reached under a settlement agreement which are payments in lieu of notice, payment in addition to the entitlement set out in our policies on the exercise of discretions within the LGPS and the Discretionary Compensation Regulations, or the value of any employee benefits which are allowed to continue beyond the employee's agreed exit date. Special Severance payments do not include contractual redundancy pay, payment for untaken leave, pension strain costs or payments made as part of the ACAS early conciliation process.

In accordance with the relevant provisions of the statutory guidance on the making and disclosure of Special Severance Payments by local authorities in England, which was published on 12 May 2022:

- any Special Severance Payment of £100,000 or more must be approved by full Council.

- for all posts below Director level payments below £100,000 must be approved by the Head of Paid Service in consultation with the Leader of the Council.
- payments made to Directors require the approval of the Joint Senior Staff Committee and recommendation to full Council if £100,000 or more.

9. Market rate supplements

Our job evaluation scheme does not take into account market factors such as market pay rates relating to specific jobs or fluctuating demand for skills in the marketplace. The Council recognises therefore, that there may be occasions where it is necessary to pay a market rate supplement in addition to base salary in order to recruit or retain staff.

The Market Rate Supplement Policy ensures a clear and systematic process is followed in considering the potential for a supplement and for identifying the relevant 'market rate' for any specific post, or group of posts. The policy ensures that relevant considerations are taken into account, both initially and at every subsequent two-yearly review and ensures that a consistent approach is applied across the Council with regard to:

- the circumstances in which a market rate supplement is considered,
- the monetary value of any supplement, and
- the duration of the supplement and the review period that will apply.

10. Employee benefits schemes

The Council continues to invest in high quality benefits for its employees. This includes access to an employee discount scheme offering employees the chance to purchase a range of goods and services at discounted rates from a variety of suppliers.

We provide access for all of our employees to an Employee Assistance Programme (EAP). EAPs are intended to help employees deal with personal problems that might adversely impact their work performance, health, and wellbeing.

11. Fees for election duties

Sources of funding for elections in England vary according to the type of election. The Council's Returning Officer has overall responsibility for the conduct of elections and is appointed under the Representation of the People Act 1983. The Ministry of Justice, who set the fees to be paid to the Returning Officer, provides the costs of running UK Parliamentary general elections. Elections fees are paid for these additional duties, and they are paid separately to salary.

The costs of parish, borough and county elections are met through local authority budgets and vary according to the size of the electorate and number of postal voters. A scale of fees for Returning Officers, polling station and count staff is set annually in line with the Surrey wide scheme.

12. Review and policy amendment

We will review the statement annually and approve a new version of the policy before the start of each subsequent financial year. If we choose, or need, to amend the statement during the course of any financial year, this will be by resolution of the Council.

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Pay benefits		
Lump Sum Allowance	Band 10	£1962 pa without lease car, £585 pa with lease car
Lease cars contribution	Band 10	£5161 pa
	Band 9	£3748 pa
	Mileage over 2500 pa	£3141pa to £3745 pa
Car Allowances	All staff undertaking business mileage within their role	NJC Essential User Allowance and mileage or NJC Casual User mileage allowance
Private medical insurance	Band 6 and above	Taxable benefit value £697
Professional subscriptions	Band 6 and above	One appropriate annual subscription paid
Deputy Section 151 Officer	Lead Specialist Finance	£1500 pa
Deputy Monitoring Officer	Senior Specialist Legal Democratic Services & Elections Manager (2 posts)	£1,500 pa each
Data Protection Officer	Information Governance Officer	£3,000 pa
Evening Meeting Allowance	Staff attending Council/ Committee meetings up to and including Band 9	£49.39 per meeting plus £14.11 if continues beyond 9.30 pm.
Long Service Awards	All staff	£200 payment awarded on completion of 25 years' service with GBC
First Aid Allowance	Designated staff	£224.88 pa
Boot Allowance	Patrol staff	£189.62 pa
Early Start Payment	All staff with before 7 am start	£2.78 per day
Call Out and Standby payments	All staff participating in on call, out of hours and standby schemes	Payments vary on an hourly, weekly or session-based payment and arrangements for call out working time payments.
Local Government Pension Scheme contribution	Staff contribute between 5.5 and 12.5 % dependent on salary level	Council contributes 17.2%, this level is set by the Surrey Pension Fund at triennial review.

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Guildford Borough Council

Report to: Council

Date: 7 February 2024

Ward(s) affected: All

Report of Director: Transformation & Governance

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Report Status: Open

Capital and Investment Strategy 2024-25 to 2028-29

1. Executive Summary

- 1.1 The capital and investment strategy gives an overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services. The strategy also details how associated risks are managed and the implications for future sustainability.
- 1.2 Decisions made now, and during the period of the strategy on capital and treasury management will have financial consequences for the Council for many years into the future. This report, therefore, includes details of the capital programme, any new bids/mandates submitted for approval, plus the requirements of the Prudential Code and the investment strategy covering treasury management investments, service investments and

commercial investments. The report also covers the requirements of the Treasury Management Code and the prevailing DLUHC Statutory Guidance.

Capital programme

- 1.3 The Council has an ambitious Corporate Plan and in order to achieve the targets within that we need to invest in our assets, via capital expenditure. Capital expenditure is split into the General Fund (GF) and Housing Revenue Account (HRA).
- 1.4 All projects, regardless of the fund, will be funded by capital receipts, grants and contributions, reserves and, finally, borrowing. When preparing the budget reports, we do not always know how each scheme will be funded and, in the case of regeneration projects, what the delivery model will be. This report shows a high-level position. The business case for each individual project will set out the detailed the funding arrangements for the project.
- 1.5 Some capital receipts or revenue income streams may arise as a result of regeneration schemes, but in most cases are currently uncertain and it is too early at this stage to make assumptions. It is likely there are cash-flow implications of the development schemes, where income will come in after the five-year time horizon of the report and the expenditure will be incurred earlier in the programme.
- 1.6 To ensure the Council demonstrates that its capital expenditure plans are affordable, sustainable, and prudent, we set Prudential Indicators.

General Fund

- 1.7 The Council has an underlying need to borrow for the GF capital programme of £202 million between 2023-24 to 2028-29.
- 1.8 Officers have put forward bids, with a net cost over the same period of £9.8 million, increasing this underlying need to borrow to £211.8 million should these proposals be approved for inclusion in the programme.
- 1.9 The capital programme includes several significant regeneration schemes, which we have assumed will be financed from GF resources. Detailed

funding proposals for each scheme will be considered when the Outline Business Case for each scheme is presented to the Executive for approval.

1.10 The main areas of expenditure (shown gross) are:

- £258 million Weyside Urban Village (WUV)
- £35 million Ash Road bridge and footbridge (Total gross cost £44 million, external funding, £36 million, net cost to GBC £8 million)

1.11 Appendix 2 contains a summary of the new bids submitted. Appendix 3 shows the position and profiling of the current programme (2023-24 to 2028-29).

HRA

1.12 The HRA capital programme is split between expenditure on existing stock and either development of or purchase of dwellings to add to the stock. A lot of work has been done on stock condition surveys and the results are being analysed with a view to having a robust stock condition assessment which provides 100% stock data over a rolling 5-year programme and allows for effective assessment against Regulatory and legislative standards. This will allow compliance with the new building safety legislation and standards.

1.13 Improved building safety standards across social housing has resulted in a national drive to improve standards and safety, Guildford has started responding to this and has spent a significant sum on its properties. The budget for 2024-25 and ongoing will see budgets return to more modest levels seen in the past. The capital programme will be funded from HRA capital receipts and reserves. There is also £121 million between 2023-24 and 2028-29 million included for development projects to build or acquire new housing (including WUV). Officers recommend removing the Bright Hill scheme from the HRA programme, as previously reported to Councillors, due to the change in the scope of the scheme being delivered.

1.14 The main areas of major repairs and improvement expenditure are:

- refurbishment, replacement & renewal programme of existing stock, £1.3 million, which includes kitchen & bathroom upgrades, void property refurbishment and roof works
- works to existing stock to comply with changes to standards and legislation, £3.4 million, including replacement fire doors, electrical testing and fire protection works
- mechanical and electrical works £400,000, including central heating systems
- other works of £1.2 million including disabled adaptations

1.15 The main HRA development projects are:

- Guildford Park Car Park: £39 million
- WUV: £49 million
- Foxburrows: £11 million

1.16 Appendix 4 shows the position and profiling of the current programme (2023-24 to 2028-29)

Treasury Management

1.17 Treasury management is the control and management of the Council's cash, regardless of its source. It covers management of the daily cash position, investments and borrowing.

1.18 Officers carry out the treasury management function within the parameters set by the Council each year (detailed in Appendix 1 to this report) and in accordance with the approved treasury management practices.

1.19 The budget for investment income for 2024-25 is £3 million, based on an average investment portfolio of £86 million, at a weighted average rate of 5%. The budget for debt interest paid is £14.8 million, of which £5.4 million relates to the HRA and £7.9 million is being capitalised and added to the cost of schemes in the capital programme, which is a net cost to the General Fund of £1.5 million for the year.

Service and Commercial investments

- 1.20 Councils can invest to support public services by lending to or buying shares in other organisations (service investments) or to earn investment income (commercial investments, where earning a return is the primary purpose).
- 1.21 Investment property (primary purpose is to earn a yield) is valued at £178 million, as per the 2022/23 unaudited Statement of Accounts, with rent receipts of £9.2 million, and a yield of 5.7%. The Council is not making any future purchases solely for yield, which is in line with the government guidelines.
- 1.22 The Council has invested £25.3 million in our housing company – North Downs Housing Ltd (NDH). This is via 40% equity to Guildford Borough Council Holdings Ltd (£10.1 million) (who in turn pass the equity to NDH), and 60% loan direct to NDH (£15.3 million) at an interest rate of 5%. The loan is a repayment loan in line with the NDH business plan. There is no further investment planned within this capital and investment strategy.
- 1.23 This report also includes the Council’s Minimum Revenue Provision (MRP) policy and the Prudential Indicators, which are detailed in section 5 of the main report.
- 1.24 Due to the specialised nature of treasury management and capital finance, there is a glossary of terms at Appendix 10.

Flexible use of capital receipts policy

- 1.25 The updated flexible use of capital receipts policy can be found in Appendix 9. The Government have extended this flexibility for 2024-25. This policy, if approved at Council, allows us to use any capital receipts received in year to be used to fund any service transformation costs incurred in the same year. Officers are recommending this policy be approved to allow us the flexibility to fund transformation costs if appropriate.

Consideration by other Committees

- 1.26 This report has also been considered by the Joint Executive Advisory Board at its meeting on 11 January 2024 and its comments and recommendations to the Executive are set out in Appendix 11. The report was also considered by the Corporate Governance and Standards Committee at its meeting held on 18 January 2024, and its comments and recommendations are set out in Appendix 12. At its meeting on 25 January 2024, the Executive also considered this report and endorsed the recommendation to Council set out below. The Executive also resolved:
- (1) That, subject to Council approval, the new bids set out in Appendix 2 be approved for inclusion in the capital programme as indicated.
 - (2) That the Bright Hill scheme be removed from the HRA approved and provisional programmes as previously reported to Councillors.

2. Recommendation to Council

- 2.1 That the General Fund and HRA capital estimates, as shown in appendices 3 and 4, as amended to include the bids approved by the Executive at its meeting on 25 January 2024, be approved.
- 2.2 That the Minimum Revenue Provision policy, referred to in section 9 of this report, be approved.
- 2.3 That the capital and investment strategy, specifically the investment strategy and Prudential Indicators contained within this report and Appendix 1, be approved.
- 2.4 That the updated flexible use of capital receipts policy, as set out in Appendix 9, be approved.

3. Reasons for Recommendation:

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

4. Exemption from publication

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

5. Purpose of Report

- 5.1. The Capital and Investment Strategy gives an overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how risk is managed and the implications for future financial sustainability and is, therefore, the foundation of long-term capital planning.
- 5.2. The Council must have an approved investment strategy, comprising both treasury and non-treasury investments (including service and commercial investments). The implications associated with that are detailed in this capital and investment strategy.
- 5.3. The Local Government Finance Act 2003 requires local authorities to have regard to the CIPFA Treasury Management Code of Practice (“TM Code”), and specifically the CIPFA Prudential Code when determining how much it can afford to borrow, and to regulate treasury activities. The requirement to report in accordance with the TM code, and the prevailing DLUHC Investment Guidance is incorporated within this report and appendices.
- 5.4. Decisions made each year on capital expenditure and treasury management activity will have financial consequences for the Council for many years to come. They are, therefore, subject to both a national regulatory framework and to local policy framework, which is discussed through the report and the appendices.
- 5.5. As debt is only a temporary source of borrowing, General Fund (GF), the Council must put aside revenue resources where it finances capital expenditure by debt (internal or external), to repay that debt in later years. This cost is charged to the revenue account annually, and forms part of the Council Tax cost to taxpayers and is known as Minimum Revenue Provision (MRP). MRP is essentially the equivalent of repaying the principal loan amount within a mortgage (as opposed to the interest).

The annual MRP statement and policy is included in section 5 of this report.

- 5.6. The Council also follows the CIPFA recommendation of adhering to the UK Money Markets Code to its members as good practice. The UK Money Markets Code (April 2021 revision) is a voluntary code of practice which CIPFA recommends authorities follow. It is endorsed by the Bank of England's Money Markets Committee and has been developed to provide a common set of principles to promote the integrity and effective functioning of the UK money markets.

6. Strategic Priorities

- 6.1. A comprehensive and well managed capital programme supports all the fundamental themes of the Corporate Plan and the Council's strategic priorities.
- 6.2. Treasury Management is a key function in enabling the Council to achieve financial excellence and value for money. This report, and the strategies within it, help the Council achieve the best use of its resources and it links with the Council's strategic framework and delivery of the Corporate Plan.

7. Background

- 7.1. The Local Government Act 2003 requires local authorities to have regard to the CIPFA Treasury Management Code of Practice ("TM Code"), and specifically the CIPFA Prudential Code when determining how much it can afford to borrow.
- 7.2. The objectives of the Prudential Code are to ensure within a clear reporting framework, that:
 - capital expenditure and investment plans are affordable and proportionate,
 - all external borrowing and other long-term liabilities are within prudent and sustainable levels,
 - the risks associated with investments for commercial purposes are proportionate to the financial capacity and

- treasury management decisions are taken in accordance with good professional practice.
- 7.3. The Council's capital expenditure plans are a key driver of treasury management activity. The outputs of the capital expenditure plan are reflected in prudential indicators, which are designed to assist Councillors when making decisions.
- 7.4. To demonstrate the Council has fulfilled these objectives, this report, and Appendix 1, details the Prudential Indicators that must be set and monitored each year.
- 7.5. We must put aside resources where the Council finances capital expenditure by borrowing (internal or external) to repay that debt in later years for the GF. This is charged to the revenue account annually and called MRP. There is not an earmarked reserve for MRP, it is represented in the balance sheet as increased cash as it forms part of the Council Tax Requirement.
- 7.6. The underlying need to borrow for capital purposes is measured by the Capital Financial Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment.
- 7.7. The Council invests its money for three broad purposes:
- because it has surplus cash as a result of day-to-day activities, for example when income is received in advance of expenditure (treasury management investments)
 - to support local public services by lending to or buying shares in other organisations (service investments)
 - to earn investment income (commercial investments where this is the main purpose). Note, this is only historical purchases, Local Authorities are strongly advised against making these purchases and there are consequences of them doing so.
- 7.8. Under the TM Code and the prevailing DLUHC Guidance, we are required to provide details of each of these purposes in the investment strategy, which is detailed throughout the report and in Appendix 1.

7.9. The statutory guidance defines investments as “*all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios*”. We interpret this to exclude:

- (a) trade receivables which meet the accounting definition of financial assets but are not investments in the everyday sense of the word, and
- (b) property held partially to generate a profit but primarily for the provision of local public services.

This aligns the Council’s definition of an investment with that in the 2021 edition of the Prudential Code, a more recent piece of statutory guidance.

8. Capital expenditure and Financing

- 8.1. Capital expenditure is where the Council spends money on assets, e.g., property or vehicles, that will be used for more than one year. In Local Government, this includes expenditure on assets owned by other bodies, and loans or grants to other bodies enabling them to buy assets.
- 8.2. We show the HRA capital programme separately as the HRA is a separate ring-fenced account ensuring Council housing does not subsidise, or is not subsidised by, other local services.
- 8.3. All schemes in the capital programme have been assessed against the Council’s strategic priorities and Corporate Plan, ensuring expenditure meets the key objectives of the Council.
- 8.4. All capital expenditure must be financed, either from external sources (grants and contributions), own resources (revenue, reserves, capital receipts) or debt (borrowing or leasing).
- 8.5. Initially we will finance capital expenditure from external or our own resources. If we do not have enough to finance all the planned expenditure, there will be an increase in the underlying need to borrow (borrowing requirement - the CFR). If we take out physical loans to meet that borrowing requirement (replacing cash we have spent), then external

borrowing is in place. If there are no physical loans, then the Council has internal borrowing. This means that we are using cash relating to items in the balance sheet in the interim for capital funding purposes.

- 8.6. For planning purposes, we have assumed we will borrow internally for all schemes, but in doing so we are projecting a need to borrow externally (borrowing requirement). Depending on how much we spend and how much capital income we may receive will determine how the overall capital programme is financed.
- 8.7. Officers calculate the interest budgets (both investment and borrowing) according to the planned capital expenditure, which also feeds into the MRP calculations (for the GF only), and the liability benchmark.
- 8.8. As part of the Council's approved Financial Recovery Plan, there is a target to sell £50 million of assets to generate capital receipts to help fund the capital programme and reduce ongoing MRP and interest costs. These asset sales are not factored into the underlying need to borrow for capital purposes due to the unknown timescale, although it is factored into future cash flow projections for making assumptions around borrowing levels and subsequent interest costs.

Current capital programme

- 8.9. A copy of the current capital programmes is attached at Appendix 3, together with a schedule of the latest resource availability for, and financing of the programme.
- 8.10. All projections are based on current estimates for schemes and level of resource availability. If costs increase, and/or additional capital resources are received, the methods of financing and the level of borrowing required will vary accordingly.
- 8.11. At the Council meeting on 5 December 2023, officers presented the MTFP and Financial recovery plan November update report. Within that report it was recommended that 9 schemes be removed from the programme at a cost of £96 million. These schemes have been removed and the figures throughout this report reflect the smaller capital programme.

8.12. The Council is currently projecting expenditure of £196 million for HRA and £353 million for GF, for the period of the report. The underlying need to borrow for the period is £202 million.

New capital schemes

8.13. Officers have put forward 15 bids, with gross expenditure totalling £9.8 million up to 2028-29. Officers also recommend continuing to include £2 million per annum as the capital contingency fund to allow for unknown capital expenditure. This will increase the current underlying need to borrow to £211.8 million up to 2028-29.

8.14. The net cost each year, of the new proposals are:

Bid no.	Project title	GROSS ESTIMATES					TOTAL COST £000
		2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000	2028-29 £000	
	Capital Vision (not included in net total as figures too uncertain)						
1	Sutherland Memorial Park - refurb pavilion	200	200	0	0	0	400
	General fund: Provisional						
1	Grounds Maintenance machinery	22	10	10	0	0	42
2	Wildfield Muga	0	0	0	0	30	30
3	Playground refurb	20	80	300	200	0	600
4	ICT Hardware	583	437	63	65	338	1,486
5	Bedford Rd MSCP and office - brickwork/concrete frame	150	0	0	0	0	150
6	Broadwater cottage roof replacement	15	180	0	0	0	195
7	Leapale Rd MSCP - cladding	150	0	0	0	0	150
8	Slyfield Enterprise - redevelop	0	50	50	4,000	0	4,100
9	Slyfield Foundation - redevelop	0	25	25	2,000	0	2,050
10	Stoke Pk Gardener's cottage re roof	100	0	0	0	0	100
11	The Billings Roof	0	200	200	200	0	600
12	Sydenham Rd CP retaining wall	50	0	0	0	0	50
13	Investigation & works to underground shelter	20	0	0	0	0	20
14	Friary bus station	50	0	500	0	0	550
15	Stoke Cemetery drainage	80	0	0	0	0	80
	Total	1,240	982	1,148	6,465	368	10,203
	Gross total (excl vision)	1,240	982	1,148	6,465	368	10,203

Funded by reserves or contributions	(350)	0	0	0	0	(350)
Cost to the Council	890	982	1,148	6,465	368	9,853
Already in programme	0	0	0	0	0	0
Net addition to the programme	890	982	1,148	6,465	368	9,853

HRA

- 8.15. The HRA capital programme is split between expenditure on existing stock and either development of or purchase of dwellings to add to the stock. A lot of work has been done on stock condition surveys and the results are being analysed with a view to having a robust stock condition assessment which provides 100% stock data over a rolling 5-year programme and allows for effective assessment against Regulatory and legislative standards. This will allow compliance with the new building safety legislation and standards.
- 8.16. Improved building safety standards across social housing has resulted in a national drive to improve standards and safety, Guildford has started responding to this and has spent a significant sum on its properties. The budget for 2024-25 and ongoing will see budgets return to more modest levels seen in the past. The capital programme will be funded from HRA capital receipts and reserves. There is also £137 million between 2023-24 and 2028-29 million included for development projects to build or acquire new housing (including WUV). The proposed budget can be seen in Appendix 4.

Prudential Indicators

- 8.17. The Prudential Code covers all capital expenditure and investment decisions and should consider all potential long-term liabilities relevant to the Council. This includes the consideration of investments and liabilities of subsidiary companies.
- 8.18. Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years in the future. The Chief Finance Officer (CFO) therefore needs to be satisfied that the proposed capital programme is prudent, affordable, and sustainable. This will be by looking at the overall gearing ratios, local indicators, and affordability ratios / indicators.

8.19. Indicators we are required to calculate, and monitor are detailed below.

Estimates of capital expenditure

8.20. This indicator is a summary of the Council's capital programme and financing of the programme, summarised in the table below:

CAPITAL EXPENDITURE SUMMARY	2023-24 Approved £000	2023-24 Outturn £000	2023-24 Variance £000	2024-25 Est £000	2025-26 Est £000	2026-27 Est £000	2027-28 Est £000	2028-29 Est £000
General Fund Capital Expenditure								
- Main Programme	147,239	77,963	(69,276)	83,074	2,496	2,000	2,000	0
- Provisional schemes	48,428	2,078	(46,350)	91,892	59,690	14,841	8,365	5,380
- Schemes funded by reserves	1,031	1,504	473	1,120	0	0	0	0
- S106 Projects	122	303	181	0	0	0	0	0
- New Bids (net cost)	0	0	0	890	982	1,148	6,465	368
Total Expenditure	196,820	81,848	(114,972)	176,976	63,168	17,989	16,830	5,748
Financed by:								
Capital Receipts	0	(2,681)	(2,681)	(2,000)	(39,109)	(16,091)	(10,365)	(5,380)
Capital Grants/Contributions	(46,336)	(49,079)	(2,743)	(20,622)	(1,020)	(750)	0	0
Capital Reserves/Revenue	(1,131)	(1,787)	(656)	(1,192)	0	0	0	0
Borrowing	(149,353)	(28,300)	121,053	(153,162)	(23,039)	(1,148)	(6,465)	(368)
Financing - Totals	(196,820)	(81,848)	114,972	(176,976)	(63,168)	(17,989)	(16,830)	(5,748)
Housing Revenue Account Capital Expenditure								
- Main Programme	47,866	34,537	(13,329)	16,789	6,019	2,377	5,040	0
- Provisional schemes	15,928	0	(15,928)	18,124	26,047	57,282	11,582	18,239
- New bids	0	0	0	0	0	0	0	0
Total Expenditure	63,794	34,537	(29,257)	34,913	32,066	59,659	16,623	18,239
Financed by:								
- Capital Receipts	(8,494)	(2,740)	5,754	(11,595)	(10,836)	(21,633)	0	(5,066)
- Capital Reserves/Revenue	(28,286)	(15,461)	12,825	(23,318)	(21,230)	(38,025)	(16,623)	(13,173)
- Borrowing	27,014	(16,336)	10,678	0	0	0	0	0
Financing - Totals	(63,794)	(34,537)	29,257	(34,913)	(32,066)	(59,659)	(16,623)	(18,239)

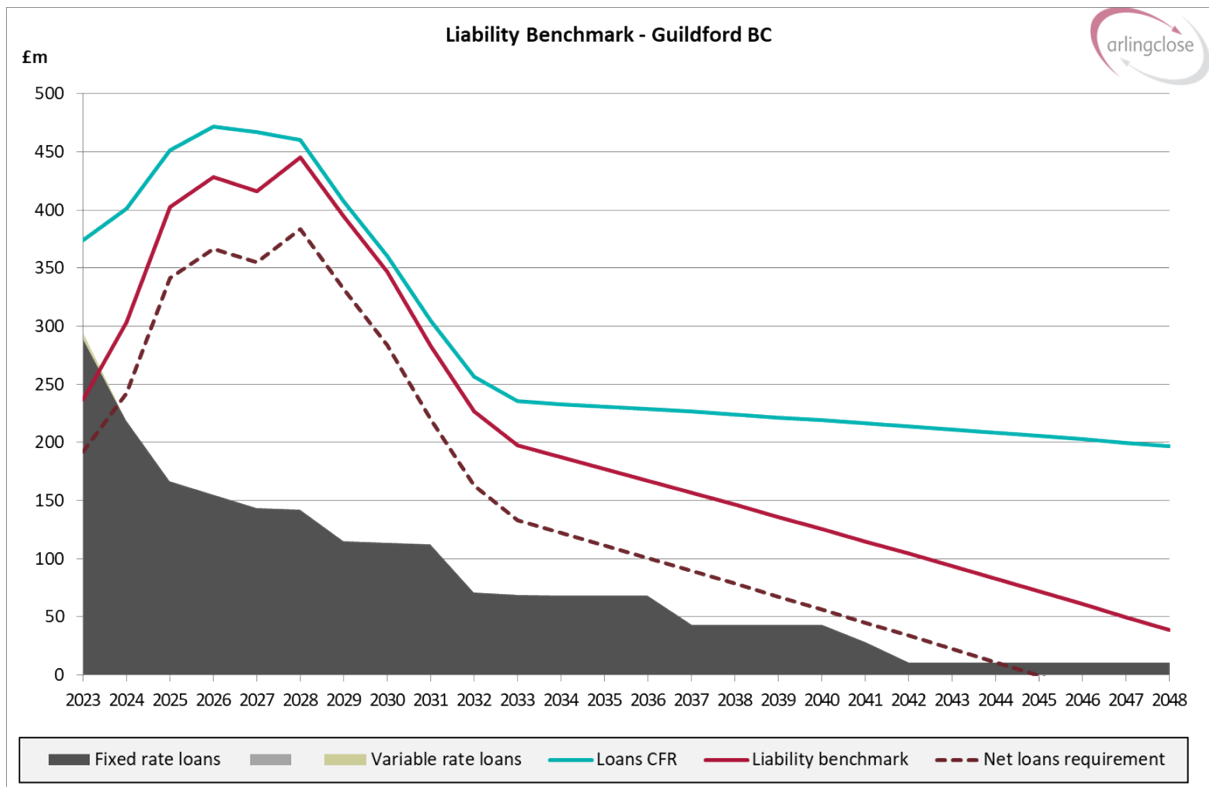
8.21. The table shows that most of our GF capital expenditure at this stage will be financed from borrowing due to the availability of known capital receipts and reserves. This is the most prudent assumption. Any future capital receipts, grants or contributions will be taken account of when they are known. Regular monitoring throughout the year will identify these, and the updated underlying need to borrow will be presented to Councillors as part of the budget monitoring reports.

Estimates of the CFR, Gross Debt, and the Liability Benchmark

- 8.22. The CFR is the cumulative balance of unfinanced capital expenditure (“debt”) less the provision made for the repayment of debt (MRP).
- 8.23. The Council is required to make reasonable estimates of the total CFR over at least the forthcoming year and following two years. Because we use our CFR projections as part of our liability benchmark, we project over a longer period, and present in the report at least the five-year time frame in line with the time frame presented in the capital programme.
- 8.24. The following table shows the Council’s estimated CFR, level of reserves and borrowing to calculate the overall borrowing requirement:

Position at 31 March	Actual	Forecasts		£m			
	2023	2024	2025	2026	2027	2028	2029
Loans CFR	374.2	400.9	451.5	471.8	467.1	460.1	407.2
External borrowing	-295.1	-229.6	-177.0	-165.5	-153.9	-152.4	-125.9
Internal (over) borrowing	79.1	171.3	274.5	306.3	313.2	307.7	281.4
Balance sheet resources	-182.2	-162.0	-138.3	-124.0	-103.9	-100.1	-109.0
Investments (new borrowing)	103.1	-9.4	-136.2	-182.3	-209.3	-207.6	-172.4
Treasury investments	103.1	98.2	51.0	35.3	20.0	20.0	20.2
New borrowing	0.0	107.5	187.2	217.6	229.3	227.6	192.6
Net loans requirement	192.0	239.0	313.3	347.8	363.2	360.0	298.3
Liquidity allowance	20.0	98.2	51.0	35.3	20.0	20.0	20.2
Liability benchmark	212.0	337.1	364.2	383.1	383.2	380.0	318.5

- 8.25. The Gross Debt compared to the CFR is key in ensuring debt is only for a capital purpose. The table shows that debt is expected to remain below the CFR during the period shown.
- 8.26. This is then shown in graphical format identifying the liability benchmark. The liability benchmark is the lowest risk level of borrowing – borrowing only when your reserves reach your set minimum level (we have set at £20 million). We have adopted this policy for a number of years and propose to continue doing so.



8.27. The gap between the lines and the shaded area is the need to borrow externally, only assuming the capital expenditure that has been or is being approved as part of this report.

Operational boundary and authorised limit for external debt

8.28. The Council is legally obliged to set an annual affordable borrowing limit (termed “authorised limit for external debt”). This is the maximum the Council can borrow. In line with statutory guidance, a lower operational boundary is also set as a warning level should debt approach that limit. Separate limits are set for GF and HRA.

8.29. The operational boundary is the most likely level of borrowing in year, directly linked to capital expenditure plans and the CFR and cash-flow requirements.

8.30. We are required to set a limit for other long-term liabilities, for example finance leases. We have included £26 million for items that could be classed as finance leases, particularly with the introduction of IFRS16 in April 2024.

Operational Boundary of External Debt	2023-24 Approved £000	2023-24 Revised £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000	2028-29 Estimate £000
Borrowing - General Fund	338,316	260,916	257,316	277,546	272,896	265,926	213,046
Borrowing - HRA	199,204	199,204	199,204	199,204	199,204	199,204	199,204
Other Long-Term Liabilities	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Total	563,520	486,120	482,520	502,750	498,100	491,130	438,250

8.31. The authorised limit gives headroom for significant cash-flow movements. Officers monitor the Council’s debt level against the authorised limit daily against all items on the balance sheet (long and short-term borrowing, overdrawn bank balances and long-term liabilities)

Authorised Limit for External Debt	2023-24 Approved £000	2023-24 Revised £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000	2028-29 Estimate £000
Borrowing - General Fund	309,556	320,916	302,316	322,546	317,896	310,926	258,046
Borrowing - HRA	199,204	199,204	199,204	199,204	199,204	199,204	199,204
Other Long-Term Liabilities	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Total	534,760	546,120	527,520	547,750	543,100	536,130	483,250

Proportion of financing costs to net revenue stream

8.32. This is an indicator of affordability and highlights the revenue implications of the capital programme, by identifying the proportion of the revenue budget required to meet financing costs associated with capital spending, net of investment income.

8.33. Although capital expenditure is not charged directly to the revenue account, interest payable on loans and MRP are charged. The net annual charge is known as financing costs and is compared to the net revenue stream (i.e., the amount funded from Council Tax, Business Rates, and general government grants for the GF and for the HRA its income)

8.34. The table below shows the financing costs as a % of net revenue stream

	2023-24 Approved	2023-24 Outturn	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate
General Fund	-4.67%	4.79%	-5.27%	-22.50%	-18.38%	-20.27%	-25.83%
HRA	32.49%	38.79%	32.72%	28.20%	23.64%	20.13%	19.71%

- 8.35. The GF lower outturn for 2023-24 reflects less debt interest to the GF as a result in the change in policy on capitalisation of interest as part of the financial recovery plan. The increasing percentage is as a result of increasing debt costs due to the capital programme and reducing interest income as internal resources are spent on the capital programme.
- 8.36. The HRA has stable debt costs, but reducing interest earned on its balances as per the item 8 debit calculation over the period because of reducing reserves as a result of the capital programme.

9. Minimum Revenue Provision (MRP)

- 9.1. The Local Government Finance Act 2003 requires local authorities to have regard to the former MHCLG's Guidance on MRP, most recently issued in 2018.
- 9.2. This Guidance requires local authorities to approve an annual MRP statement each year and recommends options but does not preclude locally determined prudent methods.
- 9.3. Where the Council finances capital expenditure by borrowing, the CFR will increase and we must put aside resources, from revenue, to repay that debt in later years, known as MRP. MRP only applies to GF.
- 9.4. The aim of the guidance is to ensure that capital expenditure is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits.
- 9.5. It recommends a maximum useful life of 50 years for all assets, unless the Council has an opinion from an appropriately qualified professional advisor that an asset will deliver service functionality for more than 50-years.
- 9.6. We apply a life of 50 years for the purchase of land and schemes which are on land (for example transport schemes).

- 9.7. MRP becomes chargeable in the financial year after the expenditure is incurred or when the asset becomes operational – whichever is the latter.
- 9.8. Based on the Council’s estimate of its CFR on 31 March 2023, and unfinanced capital expenditure in 2023-24 of £202 million, the budget for MRP for 2024-25 and future years is:

2024-25	£1.68 million
2025-26	£1.81 million
2026-27	£1.86 million
2027-28	£1.87 million
2028-29	£2.1 million

- 9.9. Profiling of capital expenditure is key in determining the impact of MRP on the revenue account because it forms part of the annual Council Tax Requirement.

MRP policy

- 9.10. The Council will use the asset life method as its main method of applying MRP but will use the annuity method for investment property.
- 9.11. Where appropriate, for example in relation to capital expenditure on regeneration schemes, we may use an annuity method starting in the year after the asset becomes operational.
- 9.12. Where we acquire assets ahead of a development scheme, we will charge MRP based on the income flow of the asset or as service benefit is obtained. Therefore, where construction, major refurbishment or redevelopment of an asset occurs, we will not charge MRP during the period of construction, refurbishment, or redevelopment. MRP will not be charged from the date a property is vacant (if the development starts within 12 months of the vacation date). MRP will be charged in the financial year after the asset has returned to operational use.

- 9.13. Where loans are made to other bodies for their capital expenditure, where the loans are repaid in at least annual instalments of principal, there will be no MRP, but we will apply the capital receipts arising from the loan repayment to reduce the CFR. Where there is no repayment, MRP will be charged in accordance with the MRP policy for assets funded by the loan, including delaying MRP until the year after the assets became operational. Sufficient MRP will be charged to ensure that the outstanding CFR on the loan is no higher than the principal amount outstanding less the expected credit loss. This option was proposed by the Government in its recent MRP consultation and in the Council's view is consistent with the current regulations.
- 9.14. For investments classed as capital expenditure, we will apply a life related to the underlying asset in which the share capital has been invested.
- 9.15. We will apply a prudent approach to determining which schemes are financed from capital resources and which ones will be subject to MRP. For example, we feel it is prudent to apply capital resources to those schemes that have a shorter estimated life. We will determine this annually as part of closing the accounts.
- 9.16. Generally, the asset life for MRP will be matched to the life used for depreciation purposes. Estimated life periods will be determined under delegated powers to the CFO.
- 9.17. Where former operating leases have been brought onto our balance sheet on 1 April 2024, due to the adoption of IFRS16 leases accounting standard, and the asset values have been adjusted for accruals, prepayments, premiums and / or discounts, then the annual MRP charge will be adjusted so the total charge to revenue remains unaffected by new standard.
- 9.18. No MRP will be charged in respect of assets held within the HRA but depreciation on those assets will be charged instead in line with regulations.

10. Treasury Management

- 10.1. Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, a shortage of cash will be met by borrowing, to avoid excessive credit balances of overdrafts in the bank current account.
- 10.2. The policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns.
- 10.3. The Council is typically cash rich in the short-term as revenue income is received before it is spent (and invested more securely to minimise the risk of loss), but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing. Money that will be held for the longer term is invested in a select portfolio to balance the risk of loss against the risk of receiving returns below inflation.
- 10.4. The contribution that these investments make to the objectives of the Council is to support effective treasury management activities.
- 10.5. Decisions on treasury management investment and borrowing decisions are made daily and therefore delegated to the CFO and staff, as per the Treasury Management Practices (TMPs), who must act in line with the treasury management strategy approved by Council in February each year. Treasury management activity is presented to the Corporate Governance and Standards Committee as part of the Council's financial monitoring report throughout the year and the Committee is also responsible for scrutinising treasury management decisions.
- 10.6. The Council currently has a total of £200 million long-term borrowing of which £167 million is related to the HRA at an average rate of 3.5% with a cost of £5.4 million in interest, and the remaining £33 million relates to WUV and the interest is being capitalised to the project at the pooled interest rate of all council borrowing. Short-term borrowing, falling on the GF, is expected to cost £1 million at an average rate of 5%.

10.7. The Council's average investment portfolio is £86 million at an average rate of 5%, generating £3 million of interest.

Borrowing strategy

10.8. The Council's main objectives when borrowing is to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council seeks to strike a balance between cheaper short-term loans and long-term fixed rate loans where the future cost is known but higher.

10.9. The Council does not borrow to invest for the primary purpose of financial return and therefore retains full access to the PWLB.

10.10. Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The liability benchmark in paragraphs 8.23 to 8.26 show we are meeting the statutory guidance.

10.11. The detailed borrowing strategy can be found in Appendix 1, Section 5.

Investment strategy

10.12. The CIPFA Code requires local authorities to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the higher rate of return, or yield.

10.13. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

10.14. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal to, or higher than the prevailing rate of inflation, to maintain the spending power of the sum invested.

10.15. The detailed investment strategy can be found in Appendix 1, section 5.

10.16. The Council has identified the proportion of income from these types of investments against gross service expenditure. This income is part of the net service cost and therefore makes a positive contribution to the Council Tax Requirement.

	2023-24 Budget £000	2023-24 Revised £000	2024-25 Budget £000	2025-26 Budget £000	2026-27 Budget £000
Gross Service Expenditure	110,099	111,030	97,910	97,910	97,910
Investment property income	8,649	9,704	10,130	10,130	10,130
Treasury management income	3,490	4,879	3,089	1,867	1,237
Investment income %	11%	13%	14%	12%	12%

10.17. Investment property and treasury management income (“investment income”) contribute approximately 12% to the gross cost of services across the Council.

11. Service and commercial investments

Property asset management

11.1. To ensure that capital assets continue to be of use in the long-term, the Council has an asset strategy and asset management framework. These include the following objectives:

- for operational properties to operate at full potential in the delivery of services, assessing them against performance criteria and investing where necessary to ensure they remain fit for purpose and improve service capability,
- for investment properties to achieve a maximum return by actively managing and reviewing properties, reduce risk, and enhance income, negotiate leases on the best possible terms, invest where necessary to retain their value and sell high cost of underperforming assets,
- for all buildings to be held to a high standard of repair, by undertaking regular condition surveys and linking the output of the condition survey to an identifiable programme of works,
- for all works to provide value for money by undertaking cost analysis and options for appraisals to determine whether to fund capital improvements and ensure robust procedures are followed when arranging works to encourage competitive and best value pricing,
- for all properties to be fully compliant with statutory requirements including health and safety and energy efficiency regulations.

Investment for service purposes

- 11.2. The Council makes investments to assist local public services, including loans to and buying shares in local service providers, local small businesses to promote economic growth and the Council's subsidiary companies. Considering the public service objective, the Council is willing to take more risk than with treasury investments; however, it still plans for such investments to at least break even after all costs.
- 11.3. Opportunities on service investments are initiated by the relevant service leader and any decisions are made by the CFO. Most loans and shares are capital expenditure and purchases will therefore be approved as part of the capital programme and PPM Governance framework.
- 11.4. The main risk when making service loans is that the borrower will be unable to repay the principal lent and / or the interest due. One of the risks of investing in shares is that they fall in value meaning that the initial outlay may not be recovered. To limit this risk and ensure that total exposure to service loans remains proportionate to the size of the Council, we will undertake independent due diligence before entering into a loan or purchasing shares.
- 11.5. Accounting standards require the Council to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures in the Statement of Accounts will be shown net of this loss allowance. However, the Council makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.
- 11.6. The Council invests in and has purchased shares in Guildford Borough Council Holdings Limited (40% equity then transferred into North Downs Housing). A small amount has been used to purchase shares in the Surrey and Sussex Credit Union (Boom) and the Broadband for Surrey Hills (B4SH). The projected future investment in the Council's companies is detailed in the capital programme. It is not expected to increase exposure to Boom or B4SH.

Commercial activities

- 11.7. The Council has acquired its investment properties over several years to facilitate the economic development of the borough and generate rental income that helps support the wider financial position of the Council.
- 11.8. Investment property is valued at £178 million as per the 2022/23 unaudited statement of accounts, with rent receipts of £9.1 million. Budgeted receipts for 2023-24 was £9.7 million.
- 11.9. Compared with other investment types, property is relatively difficult to sell and convert into cash at short notice and can take a considerable amount of time to sell in certain market conditions. Therefore, the size of the investment property portfolio is compared, monthly, against the value of the Council's treasury management investments, to ensure proportionality of investments across the Council.
- 11.10. With financial return being the main objective, the Council accepts higher risk on commercial investment than treasury investments. The principal risk exposures include fluctuating capital values, vacancies, tenant defaults and risking financing costs. All these factors can have an impact on the net financial return to the Council. The Council mitigates the risks through the choice of more secure property investments using the criteria described above in para 11.1, and keeping a balanced portfolio spread across different property types. Officers prepare detailed cash flow models for each prospective investment acquisition to appraise the cash flow risk and the Internal Rate of Return (IRR) of the investment, in line with the approved asset investment strategy.
- 11.11. In accordance with government guidance, the Council considers a property investment to be secure if its accounting valuation is at or higher than its purchase costs, including taxes and transaction costs. The Council values investment property annually.
- 11.12. If the fair value assessment of the portfolio in the accounts is at or above the purchase cost, the underlying asset provides security for the capital investment. Should the valuation be lower than purchase cost, the Council will report this in the capital and investment annual report, along

with the consequences of the loss on security of investments and any revenue consequences arising.

11.13. Performance is also reviewed regularly throughout the year and an investment fund portfolio report submitted annually to the Property Review Group and as part of the Capital and Investment Strategy annual report.

11.14. In accordance with the Council’s Constitution, the Joint Strategic Director of Place is authorised to acquire property up to £1 million, in consultation with the relevant lead councillor, where budget provision exists in the approved capital programmes. Purchases must be in consultation with the CFO in line with the criteria set in the asset investment strategy. Where there is no approved budget in the capital programme, committee approval will be sought in line with Financial Procedure Rules.

11.15. The asset investment strategy provides a robust viable framework for the acquisition of commercial properties located within the borough. This will direct investment in assets that local businesses occupy as well as those nationally or internationally that contribute to growth in the local economy. There will be continual evaluation of the property investment portfolio to meet the Council’s priorities and ensure that it is fit for purpose.

11.16. We will also consider new opportunities as they arise. For example, the Council recognises that another major industrial site is coming to the end of its physical life where our tenants want to reinvest. The Council will support development plans by tenants to improve their sites and the estate, which again, may instigate capital investment by the Council alongside income generation.

Net income from commercial and service investments to net revenue stream

11.17. The table below shows net revenue stream compared to the net income from commercial investments:

	2023-24 Approved	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate
Net Revenue Stream	15,828	16,576	15,886	16,125	16,492
Net income	8,649	10,130	10,130	10,130	10,130

11.18. The table shows that income from commercial investments is significant when compared to the Council's net revenue stream.

Other liabilities

11.19. Although not strictly counted as investments, since no money has changed hands yet, loan commitments and financial guarantees carry similar risks to the Council and are included here for completeness.

11.20. The Council is committed to making future payments to cover its share of the pension fund deficit, on the face of the Council's balance sheet, there is £116 million of other long-term liabilities which relates to the Pension Fund liability.

11.21. We have provisions to cover risks including Business Rates appeals. We have not allowed for any financial guarantees.

11.22. The Council is also at risk of having to pay for levies relating to our liability for asbestos but has not put aside money into a provision because it is not yet certain.

11.23. Decisions on incurring new discretionary liabilities are taken by the relevant service leader and the CFO.

11.24. A new accounting standard, IFRS16 – accounting for leases, comes into effect from 1 April 2024. The key change is that accounting for leases (i.e., leasing in assets) will change, and there will no longer be a distinction between finance and operating leases. The Council is currently working through the implications, but it will mean an increase in the assets and liabilities on our balance sheet.

12. Knowledge and skills

12.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions, and ensure appropriate training and skill updating are available to the relevant staff to undertake the duties expected / required.

- 12.2 Where Council staff do not have the knowledge and skills required, use is made of external advisors and consultants that are specialist in their field. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.
- 12.3 Under the MiFID¹ regulations, for the Council to “opt-up” to professional status, the Council is required to state the knowledge and skills of key staff involved in the treasury decision making – this is a mandatory criterion. Financial institutions decide whether the Council can opt-up, and there is comfort in that where the Council is accepted as a professional client; we have the required level of skills and knowledge expected by the financial institution of key treasury staff.

13. Consultations

- 13.1 The Lead Councillor for Resources and Assets supports the recommendations in this report.
- 13.2 The Joint Executive Advisory Board considered this report at its meeting on 11 January 2024, and its comments and recommendations to the Executive are set out in Appendix 11.
- 13.3 The Corporate Governance & Standards Committee also considered this report at its meeting on 18 January 2024, and its comments and recommendations are set out in Appendix 12.

14. Key Risks and mitigations

- 14.1 Officers submit bids with a proposed timeframe for the project to be completed. This is put into the capital programme and feeds into the liquidity benchmark (to determine where we may need to borrow – at a high level), cash flow forecasts (projecting investment income and possible borrowing costs feeding into the medium-term financial strategy)

¹ Markets in Financial Instruments Directive

and the MRP projections (again feeding into the medium-term financial strategy).

- 14.2 The capital programme predicts the Council's underlying need to borrow. This is the starting point to determine whether the Council needs to borrow externally, and for what period. If the profiling of the capital programme is significantly wrong, this means the Council will have budgeted less investment income, more external borrowing interest and more MRP than it needs to. All these are a cost to the revenue budget and therefore the council taxpayer.
- 14.3 Officers work together to minimise this impact and meet on a quarterly basis to review the capital programme and adjust the profiling. The medium-term financial strategy is updated continually with the latest interest and MRP projections taking account of the latest capital programme and profile to ensure the most realistic position is presented in the revenue budget.
- 14.4 Slippage in the capital programme could also mean costs are higher than originally budgeted because of price inflation and changing market conditions. To help mitigate this, the Council has a capital contingency fund budget of £2 million each year acting as an additional budget included in the borrowing calculations across the programme as a whole. Each scheme also has contingencies built into the individual budgets.
- 14.5 Many of the larger schemes in the programme have external funding attached to them. Generally, as part of this funding, when the bids for funding are made, a time frame for spend needs to be agreed. If schemes are delayed, there is a risk that the funding will either have to be repaid or the funding will no longer be available to us. This will increase the cost of borrowing to the Council.
- 14.6 If we do not deliver new housing schemes, we are at risk of having to repay housing capital receipts back to the Government. It is therefore important we have a planned programme of development schemes to be able to monitor future expenditure with reasonable certainty to help avoid the risk of having to return money plus interest.

14.7 The Council has some significant and costly capital schemes in its programme. Each of these schemes has a high level of scrutiny in its finances with continually updated finance cases as any change in these can be financially significant. The key risk being that if any of these schemes were approved based on a net income or break even, and they then become a cost to the Council, this will increase the borrowing burden on the GF.

Treasury management risks

14.8 The effective management and control of risk are prime objectives of the Council's treasury management activities. The treasury management strategy therefore sets out the various indicators and limits to constrain the risk of unexpected losses and details the extent to which financial derivatives may be used to manage treasury risks.

14.9 Overall responsibility for treasury management remains with the Council. Treasury management activity involves risk and cannot be eliminated. The effective identification and management of risks are integral to the Council's treasury management objectives.

14.10 Treasury management activity needs to be managed to maximise investment income and reduce debt interest whilst maintaining the Council's exposure to risk.

14.11 Inflation is also a key factor. Investments are made and earn a return. If inflation is high, and investment returns are low, the investment return is not keeping up with inflation and the Council is therefore losing money. Conversely if inflation falls fixed investments give higher returns, but both these scenarios are features of timing difference and will even out over time.

14.12 Risk indicators relating to treasury management are in Appendix 1.

Risks relating to Commercial investments

14.13 There are some identifiable risks of investing in property.

- 14.14 A downturn in the property market or the general economy could lead to falling rents or higher vacancies meaning that rental income may not cover borrowing costs.
- 14.15 In addition, a downturn could lead to a fall in property valued which could impact capital receipts if the Council wanted to sell the property to use the receipts for other purposes.
- 14.16 The Council mitigates these by having a diverse investment property portfolio, a review of tenant covenant strength prior to becoming a tenant, including a review of the company finances and credit checks. The Council will also request rent deposits where appropriate. In addition, we undertake a prudent cash flow model for each prospective investment to appraise the cash flow risk and the internal rate of return of the investment, and we keep abreast of the latest property market information to inform decisions.

15. Financial Implications

- 15.1 The financial implications are covered throughout the report, and in the appendices.
- 15.2 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by an income receivable. The net annual charge is known as financing costs; this is compared to the new revenue stream (i.e., the amount funded from Council Tax, Business rates and general government grants).
- 15.3 The budget for treasury management investment income is based on an average investment portfolio for the previous year, at a weighted average rate. The budget for debt interest is based on current outstanding interest calculations. If actual levels of investments and borrowing, and actual interest rates differ from that forecast, performance against budget will be correspondingly different.
- 15.4 Income from investment property is estimated to be £8.6 million in 2024-25.
- 15.5 The MRP budget is £1.7 million in 2024-25.

15.6 Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for many years into the future. The CFO is comfortable that the proposed capital programme is prudent, affordable, and sustainable.

Flexible use of capital receipts

15.7 The Government has extended the ability for councils to use capital receipts to fund revenue costs of transformation programmes, and officers are recommending that the policy is approved to enable the flexibility to fund the costs relating to the Guildford and Waverley Collaboration and any other transformations, restructures or efficiency changes that may be incurred during 2024-25. The policy can be found at Appendix 9.

Risk indicators

15.8 The Council has set the following quantitative indicators to allow readers to assess the total risk exposure as a result of investment decisions.

Total risk exposure

15.9 This indicator shows the total exposure to potential investment losses. This includes amounts the Council is contractually committed to lend but have yet to be drawn down and the guarantees the Council has issued over third-party loans.

Total Investment Exposure	2023-24 Projection £000	2024-25 Forecast £000	2025-26 Forecast £000
Treasury management investments	118,078	85,917	65,441
Service investments: Loans	15,180	15,180	15,180
Service investments: Shares	10,120	10,120	10,120
Investment property	174,256	174,256	174,256
Total Investments	317,634	285,473	264,997

15.10 Government guidance is that we should show how these investments are funded. Since the Council does not normally associate particular assets with particular liabilities this is difficult to comply with. However, investments in loans and shares (North Downs Housing and Guildford Borough Council Holdings) could be described as being funded by

borrowing – as they are part of the Capital programme and therefore form part of the underlying need to borrow for a capital purpose. The remainder of the Council’s investments are funded by usable reserves and income received in advance of expenditure.

Rate of return achieved

15.11 This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Councillors should note that due to the complex nature of the local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Investments net rate of return	2023-24 Projection £000	2024-25 Forecast £000	2025-26 Forecast £000
Treasury management investments	4.60%	3.92%	4.54%
Service investments: Loans	5.50%	5.50%	5.50%
Service investments: Shares	0.00%	0.00%	0.00%
Investment property	6.00%	5.50%	5.50%

16. Legal Implications

16.1 Various professional codes, statutes and guidance regulate the Council’s capital and treasury management activities. These are:

- the Local Government Act 2003 (“the 2003 Act”), provides the statutory powers to borrow and invest and prescribes controls and limits on these activities, and in particular within the Local Authority (Capital Finance and Accounting) (England) Regulations 2003
- the 2003 Act permits the Secretary of State to set limits on either the Council or nationally on all local authorities restricting the amount of borrowing which may be undertaken.
- Statutory Instrument (SI) 3146 2003 (“the SI”), as amended, develops the controls and powers within the 2003 Act.
- the SI requires the Council to undertake borrowing activity with regard to the Prudential Code. The Prudential Code requires indicators to be set – some of which are absolute limits – for a minimum of three forthcoming years.

- the SI also requires the Council to operate the overall treasury management function with regard to the CIPFA TM Code
- under the terms of the Act, the Government issues “Investment Guidance” to structure and regulate the Council’s investment activities. The emphasis of the Guidance is on the security and liquidity of investments.
- Localism Act 2011

17. Human Resource Implications

17.1 Where additional resources are required to deliver schemes identified within this report, officers have included this in the bid or have submitted a revenue bid.

18. Equality and Diversity Implications

18.1 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.

19. Climate Change/Sustainability Implications

19.1 There are no specific implications as a result of this report, however, capital bids have been made for some schemes relating to reducing carbon.

20. Summary of Options

20.1 Officers have detailed the options within each new capital bid / mandate.

20.2 The CIPFA TM Code does not prescribe any particular treasury management strategy for local authorities to adopt. The CFO, having consulted with the Lead Councillor for Finance and Assets believes the strategy represents an appropriate balance between risk and cost effectiveness. Some alternative strategies and risk management implications are set out in the table below:

Alternative	Impact on Income / Expenditure	Impact on risk management
Invest in a narrower range of counterparties and / or for shorter times	Interest income will be lower	Lower chance of losses, from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and / or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to higher impact in the event of a default; however, long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium-term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is unlikely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

21. Conclusion

- 21.1 The information included in this report shows the position of the current approved capital programme. Bids for future years that are viewed as essential projects have been submitted by officers.
- 21.2 If all schemes proceed within the timescales indicated, there will be an underlying need to borrow of £211.8 million by 31 March 2028.
- 21.3 The information in this report, and the appendices, show the Council has adopted the principles of best practice and complied with the relevant statute, guidance, and accounting standards.

22. Background Papers

None

23. Appendices

Appendix 1: Detailed capital and investment strategy

Appendix 2: Detailed New Capital Bids

Appendix 3: Schedule of GF capital programme

Appendix 4: HRA capital programme

Appendix 5: Treasury Management Policy Statement

Appendix 6: Money Market Code Principles

Appendix 7: Arlingclose Economic and Interest Rate Forecast

Appendix 8: Credit rating equivalents and definitions

Appendix 9: Flexible use of capital receipts policy

Appendix 10: Glossary

Appendix 11: Comments of the Joint Executive Advisory Board – 11 January 2024

Appendix 12: Comments of the Corporate Governance & Standards Committee
– 18 January 2024

Capital, Treasury and Investment Strategy - detail

1. Introduction

- 1.1 A capital strategy is the foundation of proper long-term planning of capital investment in assets and how it is to be delivered. It needs to link into the Council's overall corporate objectives and strategic priorities.
- 1.2 Council's need to invest in their assets, as they are the most valuable resource (termed as non-financial assets throughout the report), and is, therefore, linked to asset planning. Council assets have been acquired using public money, so we have an obligation to protect the value of those assets. Failure to do this means assets will gradually deteriorate and in the long-term this puts the Council's ability to fulfil its basic responsibilities at risk.
- 1.3 Capital expenditure is defined as:
"Money spent on acquiring or upgrading fixed assets, to increase the life of the asset or improve its productivity or efficiency to the organisation"
- 1.4 An integral part of a capital strategy is how the programme is financed. This is inexplicitly linked to treasury management and informs the resources available for treasury investments.
- 1.5 Treasury management is an important part of the overall management of the Council's finances. Council's may borrow or invest for any purpose related to its functions, under any enactment, or for the purpose of the prudent management of its financial affairs.
- 1.6 The CIPFA definition of treasury management is:
"the management of the organisations borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks"
- 1.7 The Local Government Act 2003 requires Local Authorities to have regard to the Prudential Code. The Prudential Code, last revised in 2021,

requires Local Authorities to determine a capital strategy. The strategy is to have regard to:

Capital expenditure

- an overview of the governance process for the approval and monitoring of capital expenditure
- a long-term view of capital expenditure plans
- an overview of asset management planning
- any restrictions around borrowing or funding of ongoing capital finance

Debt and borrowing and treasury management

- a projection of external debt and use of internal borrowing to support capital expenditure
- provision for the repayment of debt over the life of the underlying asset
- authorised limit and operational boundary for the following year
- the approach to treasury management including processes, due diligence and defining the risk appetite

Commercial activity

- the Council's approach to commercial activities, including processes, ensuring effective due diligence and defining the risk appetite including proportionality in respect of overall resources

Other long-term liabilities

- an overview of the governance process for approval and monitoring and ongoing risk management of any other financial guarantees and other long-term liabilities.

Knowledge and skills

- a summary of the knowledge and skills available to the Council and confirmation that these are commensurate with the risk appetite.
- 1.8 Included in these regulations and codes of practice, we are required to set Prudential and Treasury Indicators for assessing the prudence, affordability and sustainability of capital expenditure and treasury management decisions. The, then, MHCLG investment guidance also suggest some local indicators.
- 1.9 The following sections of the strategy outline the Council's balance sheet and treasury position, capital expenditure and treasury management strategy.
- 1.10 In order to understand the context of the capital and investment strategy (where we are going and how we will get there), it is important to understand where we are now.

2. External Context

Economic Background

- 2.1 The Bank of England (BoE) increased Bank Rate to 5.25% in August 2023, which has been maintained since, but have not said that this is the final interest base rate. The actions are broadly in line with the other world banks.
- 2.2 The impact of higher interest rates and inflation, weak economic outlook, uncertain political climate (due to an upcoming general election), conflicts in Ukraine and the Middle East, general slowing in world economies will all influence this strategy.
- 2.3 Growth is then expected to continue to be minimal throughout 2024 and the first half of 2025.
- 2.4 CPI inflation is expected to continue to reduce as last year's key inflation drivers fall away, achieving target in two years' time.
- 2.5 The Monetary Policy Forecast (MPF) shows the labour market weakening in response to the deteriorating outlook for growth, leading to the unemployment rate project to be rising to around 5% in late 2025.

Credit outlook

- 2.6 The weakening economic picture during 2022 led the credit rating agencies to reflect this in their assessment of the outlook for the UK sovereign as well as several local authorities and financial institutions, revising them from to negative from stable.
- 2.7 There are competing tensions in the banking sector which could impact bank balance sheet strength going forward. The weakening economic outlook and likely recessions in many regions increase the possibility of a deterioration in the quality of banks' assets, while higher interest rates provide a boost to net income and profitability.

Interest rate forecast

- 2.8 Arlingclose forecasts that Bank Rate has peaked (although the OBR – Office for Budget Responsibility used a base rate of 5.4% in its predictions for the Autumn Statement) and as the BoE attempts to subdue inflation which is significantly above its 2% target will 'remain higher for longer'.
- 2.9 While interest rate expectations are for reductions to begin in late 2024 to stimulate the UK economy reducing to a low of around 3% by early to mid-2026.
- 2.10 Yields are expected to fall from current levels reflecting the lower medium-term path for bank rate. It is anticipated that yields will remain relatively higher than in the past due to quantitative tightening and significant bond supply. As ever, there will undoubtedly be short-term volatility due to economic and political uncertainty and events.

3. Balance sheet and treasury position

Balance Sheet

- 3.1 The Council has a strong asset backed balance sheet.

	Balance at 31/3/22 (restated)			Balance at 31/3/23		
	£'000	£'000	%	£'000	£'000	%
Long term assets	1,052,504			1,123,052		
Short term assets	27,894			27,958		
		1,080,398	87%		1,151,010	91%
Long term investments	58,111			35,212		
Short term investments	106,888			81,808		
		164,999	13%		117,020	9%
Total Assets		1,245,397			1,268,030	
Current liabilities	(66,221)			(65,020)		
Long term liabilities	(116,284)			(20,550)		
		(182,505)	38%		(85,570)	22%
Short term borrowing	(134,292)			(127,232)		
Long term borrowing	(169,599)			(168,053)		
		(303,891)	62%		(295,285)	78%
Total Liabilities		(486,396)			(380,855)	
Net Assets		759,001			887,175	

3.2 The summary balance sheet shows that cash investments make up approximately 10% of the Councils assets. Investment property makes up 15% of the long-term assets (being £178 million). The largest proportion of our liabilities is long-term borrowing, of which 87% is HRA debt, and the remaining 13% is for the WUV project.

Financial Stability/Sustainability

3.3 Gearing is a measure of financial leverage, demonstrating the degree to which activities are funded by our own money or by debt. The higher the leverage, the riskier the organisation is considered to be because of the financial risk and that they must continue to service its debt regardless of the level of income or surplus. Gearing can be calculated by using the debt ratio (total debt / total assets) and is the proportion of our assets that are financed by debt.

	2022/23 Actual ('000)	2023/24 Outturn ('£000)	2024/25 Estimate ('£000)	2025/26 Estimate ('£000)	2026/27 Estimate ('£000)	2027/28 Estimate ('£000)
Total debts	295,285	231,235	383,507	405,564	405,564	405,564
Total assets	1,268,030	1,347,333	1,521,419	1,544,496	1,542,432	1,537,246
Debt Ratio %	23%	17%	25%	26%	26%	26%

3.4 This shows that our gearing is low, but increasing and remaining steady, which is because of our strong asset base, and projecting forwards capital spend will continue to grow our asset base.

3.5 Future years' estimates are based on adding the budgeted cost of capital investment onto the assets, and adding the assumed debt funded expenditure (not external debt as shown in the liability benchmark) to the debt figure to give an idea how the financial stability of the Council will be evolving.

Local indicators

3.6 The Local Government Association (LGA) use a number of different financial indicators to assess the financial sustainability of Councils as part of their financial diagnostic tool. We have chosen to use the following as local indicators:

- Total debt as a % of long-term assets
- Ratio of equity by net revenue expenditure
- Un-ringfenced reserves as a % of net revenue expenditure
- Working capital as a % of net revenue expenditure

- Short term liability pressure (short term liabilities as a % of total liabilities)
- Total investments as a % of net revenue expenditure
- Investment property as a % of net revenue expenditure

3.7 Suggested Government local indicators are:

Indicator	Description
Debt to net service expenditure (NSE) ratio	Gross debt as a percentage of net service expenditure
Commercial income to NSE ratio	Dependence on non-fees and charges income to deliver core services. Fees and Charges are to be netted off gross service expenditure to calculate the NSE
Investment cover ratio	The total net income from property investments, compared to the interest expense
Loan to value ratio	The amount of debt compared to the total asset value
Target income returns	Net revenue income compared to equity. This is a measure of achievement of the portfolio of properties
Benchmarking of returns	As a measure against other investments and against other Council's property portfolios
Gross and net income	The income received from the investment portfolio at a gross level and net level (less costs) over time
Operating costs	The trend in operating costs of the non-financial investment portfolio over time, as the portfolio of non-investments expands
Vacancy levels and tenant exposures for non-financial investments	Monitoring vacancy levels (voids) ensure the property portfolio is being managed (including marketing and tenant relations) to ensure the portfolio is as productive as possible

3.8 These indicators will be calculated on an actual basis and will form part of the outturn report.

Treasury position

3.9 The following table shows the Council's current treasury position, which is the next step to moving forward from the balance sheet.

	March 23 Actual £'000	Dec 23 position £'000
Investments		
<u>Managed in-house</u>		
Notice Accounts - UK	3,000	3,000
Money Market Funds	3,901	32,530
Temporary Fixed Deposits	60,200	47,000
Long term Fixed Deposits	0	10,000
Short term bonds	5,150	1,000
Covered Bonds	10,050	10,550
Total investments managed in-house	82,301	104,080
<u>Pooled Funds</u>		
CCLA	6,420	6,309
Schroders	730	718
UBS	1,767	1,711
Royal London	2,133	2,178
Fundamentum	1,880	1,966
Aegon	2,407	2,410
Funding Circle	96	96
Total pooled funds investments	15,433	15,389
Total Investments	97,734	119,469
Borrowing		
Temporary borrowing	115,000	88,000
Long-term borrowing (PWLb)	179,599	200,235
Total borrowing	294,599	288,235
Net investments / (borrowing)	(196,865)	(168,766)

3.10 The table shows the position at the start of the financial year (included in the balance sheet), and the position at the end of December 2023 (the latest position).

3.11 Investment balances have increased as a result of cash flow timings. Long term borrowing has increased in favour of short-term borrowing as a result of borrowing for the capital programme. The net borrowing position has decreased since due to a higher level of investments than reduction in borrowing.

4. Capital expenditure

- 4.1 To understand the movement in our balance sheet over the medium term, it is important to understand the anticipated capital expenditure and capital receipts over that time.
- 4.2 The Council has a Corporate Plan and medium to long-term aspirations within the Borough. There are processes and procedures in place to ensure the capital programme is approved and monitored for good governance.
- 4.3 The Council has the following parts to its capital programme:
- Capital vision (radar stage)
 - Approved programme (outline & final business case stage)
 - Provisional programme (strategic outline case stage)
 - Reserves and s106 funded programmes.
- 4.4 The Council splits the schemes into three types to enable us to review the amount of spend on statutory items against those which we are expecting a financial return from as part of our regeneration plans:
- a) development for financial reasons - those schemes that are for economic growth, regeneration, and redevelopment (including housing schemes) which have a neutral or positive direct financial benefit to the council. It is envisaged that this is achieved by the revenue income generated by the completed scheme/project being greater than the capital financing costs on the GF revenue account or by the capital receipts generated from the scheme being sufficient to repay any debt used to finance the scheme such that there are no borrowing costs on the revenue account.
 - b) development for non-financial reasons - those schemes that are for economic growth, regeneration, redevelopment, including housing schemes and infrastructure which have no direct financial benefit to the Council and,
 - c) non-development essential schemes (i.e., those that must be done to keep our fixed assets in an acceptable condition) - those schemes that need to be undertaken for statutory/compliance

reasons, are required to maintain service provision at existing levels (or prevent cost escalation). They often do not have cashable savings or efficiencies associated with them, but often prevent further cost escalation of services. Essential schemes often have revenue costs associated with them, particularly if funded from borrowing.

- 4.5 The capital programme covers a rolling 5 to 10-year period, with more emphasis on the first five years.
- 4.6 Any projects that are expected to be delivered after the first five years of the programme, or those where the scheme has not yet been fully identified are placed on the Council's Capital Vision. The vision enables us to model the potential financial impact of these schemes and be aware of the potential schemes to be brought forward onto the GF capital programme in future.
- 4.7 Many of the schemes in the capital programme are development projects, and their expenditure and income profiles span beyond the five-year timeframe. The Council's capital programme, is therefore, a prudent one. Any income arising as a result of a development project that is outside the five years or is currently only estimated is shown in the capital vision. Any development projects will be subject to a thorough business case, which will assess the delivery model, and officers will ensure that they are financially viable before they can proceed.
- 4.8 Some capital receipts or revenue streams may arise as a result of investment in particular schemes, but in most cases are currently uncertain and it is too early to make assumptions. Some information has been included in the capital vision highlighting the potential income. It is likely there are cash-flow implications of the development schemes, where income will come in after the five-year time horizon and the expenditure will be incurred earlier in the programme.
- 4.9 The Council maintains a provisional programme to be able to produce a realistic five-year programme and include the financial implications in the outline budget. It also gives Councillors an indication as to what schemes are being investigated, and an indication as to when these schemes may be progressed.

- 4.10 Under the financial regulations, schemes that are fully funded by s106 receipts or grants and contributions can be added to the capital programme under delegation.
- 4.11 During the year, the Capital Monitoring Group (CMG) meets on a quarterly basis to review the scheduling of the capital programme. The group consists of officer representatives across the Council from different departments to give a joined-up approach.
- 4.12 The capital programme is also reviewed by CMB and Corporate Governance and Standards Committee (CGSC) as part of the regular quarterly financial monitoring and then as part of the final accounts report. Under the PPM Governance framework, the Enterprise Portfolio Board (EPB), and its subgroups, meet regularly, and they receive highlight reports on the progress of all the major projects in the capital programme.
- 4.13 The proposed financing of the capital programme assume available resources will be used in the following order:
- a) capital receipts from the sale of assets (after applying the flexible use of capital receipts policy if applicable)
 - b) capital grants and contributions
 - c) earmarked reserves
 - d) the general fund capital schemes reserve
 - e) revenue contributions
 - f) internal borrowing
 - g) external borrowing
- 4.14 The actual financing of each years' capital programme is determined in the year in question.
- 4.15 Capital expenditure is split between the GF (incorporating non-HRA housing) and HRA housing.
- 4.16 Our current approved capital programme, revised in year for updates in the programme and for the new bids to be submitted for approval by the Executive is as follows:

CAPITAL EXPENDITURE SUMMARY	2023/24 Approved £000	2023/24 Outturn £000	2023/24 Variance £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000
General Fund Capital Expenditure								
- Main Programme	147,239	77,963	(69,276)	83,074	2,496	2,000	2,000	0
- Provisional schemes	48,428	2,078	(46,350)	91,892	59,690	14,841	8,365	5,380
- Schemes funded by reserves	1,031	1,504	473	1,120	0	0	0	0
- S106 Projects	122	303	181	0	0	0	0	0
- New Bids (net cost)	0	0	0	890	982	1,148	6,465	368
Total Expenditure	196,820	81,848	(114,972)	176,976	63,168	17,989	16,830	5,748
Financed by :								
Capital Receipts	0	(2,681)	(2,681)	(2,000)	(39,109)	(16,091)	(10,365)	(5,380)
Capital Grants/Contributions	(46,336)	(49,079)	(2,743)	(20,622)	(1,020)	(750)	0	0
Capital Reserves/Revenue	(1,131)	(1,787)	(656)	(1,192)	0	0	0	0
Borrowing	(149,353)	(28,300)	121,053	(153,162)	(23,039)	(1,148)	(6,465)	(368)
Financing - Totals	(196,820)	(81,848)	114,972	(176,976)	(63,168)	(17,989)	(16,830)	(5,748)
Housing Revenue Account Capital Expenditure								
- Main Programme	47,866	34,537	(13,329)	16,789	6,019	2,377	5,040	0
- Provisional schemes	15,928	0	(15,928)	18,124	26,047	57,282	11,582	18,239
- New bids	0	0	0	0	0	0	0	0
Total Expenditure	63,794	34,537	(29,257)	34,913	32,066	59,659	16,623	18,239
Financed by :								
- Capital Receipts	(8,494)	(2,740)	5,754	(11,595)	(10,836)	(21,633)	0	(5,066)
- Capital Reserves/Revenue	(28,286)	(15,461)	12,825	(23,318)	(21,230)	(38,025)	(16,623)	(13,173)
- Borrowing	27,014	(16,336)	10,678	0	0	0	0	0
Financing - Totals	(63,794)	(34,537)	29,257	(34,913)	(32,066)	(59,659)	(16,623)	(18,239)

4.17 The programme has slipped in 2023/24 – estimated expenditure on the GF of £196 million, has been reduced to £82 million. The majority of this relates to expenditure on investment properties and regeneration schemes and have now either been removed from the programme in December 2023 or moved into later years.

4.18 We split expenditure on housing services between the HRA and GF housing. Any expenditure that relates to the Council’s own stock, or its role as a landlord, is accounted for in the HRA capital programme. All other housing related expenditure is accounted for in the GF capital programme. Where there are mixed use schemes, we will split the expenditure based on the proposed percentage of social/affordable housing to be developed.

New capital schemes

4.19 To ensure good governance, the Council has the following process for the capital programme.

- 4.20 Each year, as part of the budget cycle, officers are asked to submit bids for capital funding covering at least a five-year period, and also radar projects for the capital vision. Requests also come through via the PPM mandate process the Council has adopted.
- 4.21 Any projects that are expected to be delivered after the five-year period, or those where a scheme has not yet been fully identified are placed on the Council's Capital Vision ¹(see Appendix 9). This allows us to model the potential financial impact of these schemes and be aware of schemes that are likely to be brought forward onto the GF capital programme in future and start planning potential funding streams for those schemes.
- 4.22 Each project will require a business case, in line with guidance set out in the HM Treasury Green Book ('Green book'). The following applies:
- Simple non-complex projects (e.g., BAU R&M) – a simple business justification case will be required to justify the spending proposal,
 - All other projects will require a 3-stage business case consisting of:
 - a strategic outline case (i.e., the capital bid),
 - a detailed outline business case evaluating the strategic case, economic case (including options appraisal), commercial viability, financial affordability, and management case for change – this will be reported to the Executive at the point a project is asking for approval to be moved from the provisional to the approved capital programme,
 - a final business case – setting out the procurement process and evaluation of tenders prior to the contractual commitment of expenditure.
- 4.23 The Council has a limited resources and must have regard to the overall affordability of the capital programme in future years. Each scheme,

¹ Long-term schemes identified in documents such as the Corporate Plan, SCC Local Transport Plan, the Councils' Regeneration Strategy, Local Plan and the emerging Infrastructure Delivery Plan.

therefore, is evaluated to ensure it meets the Council's objectives. The criteria are:

- a) Each project must meet one of the five spending objectives:
 - a. Economy (invest to save, i.e., to reduce cost of services)
 - b. Efficiency (i.e., to improve throughput and unit costs)
 - c. Effectiveness (improving outcomes for the community)
 - d. Retendering to replace elements of the existing service
 - e. Statutory or regulatory compliance (i.e., H&S)
 - b) Each scheme must be assessed against the fundamental themes within the Council's Corporate Plan to show how well it contributes towards achieving the strategic objectives of the Council.
 - c) Each scheme must have some or all of a cost benefit analysis, including but not limited to detailing the Net Present Value calculation (NPV) of both cash-flows and quantifiable economic benefits, payback period, Internal Rate of Return (IRR), Peak Debt and the assessment of its Revenue impact.
 - d) NPV is to be the most important criteria and must remain positive over a range of sensitivities for the Council to invest.
 - e) NPV calculation must use the recommended treasury discount rate in the Green Book, currently at 3.5%.
 - f) The revenue impact must be neutral or positive on the GF for all development schemes for financial reasons.
 - g) All projects should assess the qualitative benefits.
- 4.24 Once Councillors have approved the new bids, they will be added to the provisional capital programme, unless the business case specifically recommends the scheme be implemented immediately, explaining in detail why.
- 4.25 Most projects over £200,000 require a further outline business case to be approved by the Executive before a project can be moved from the provisional to the approved programme, and authority is provided for

officers to start implementing the project. Any project under £200,000 can be moved under delegation.

- 4.26 The net addition of the new bids for the GF is assumed to be funded by borrowing. Any HRA new bids are assumed to be funded 1/3 capital receipts (RTB receipts), 1/3 borrowing and 1/3 capital reserves.

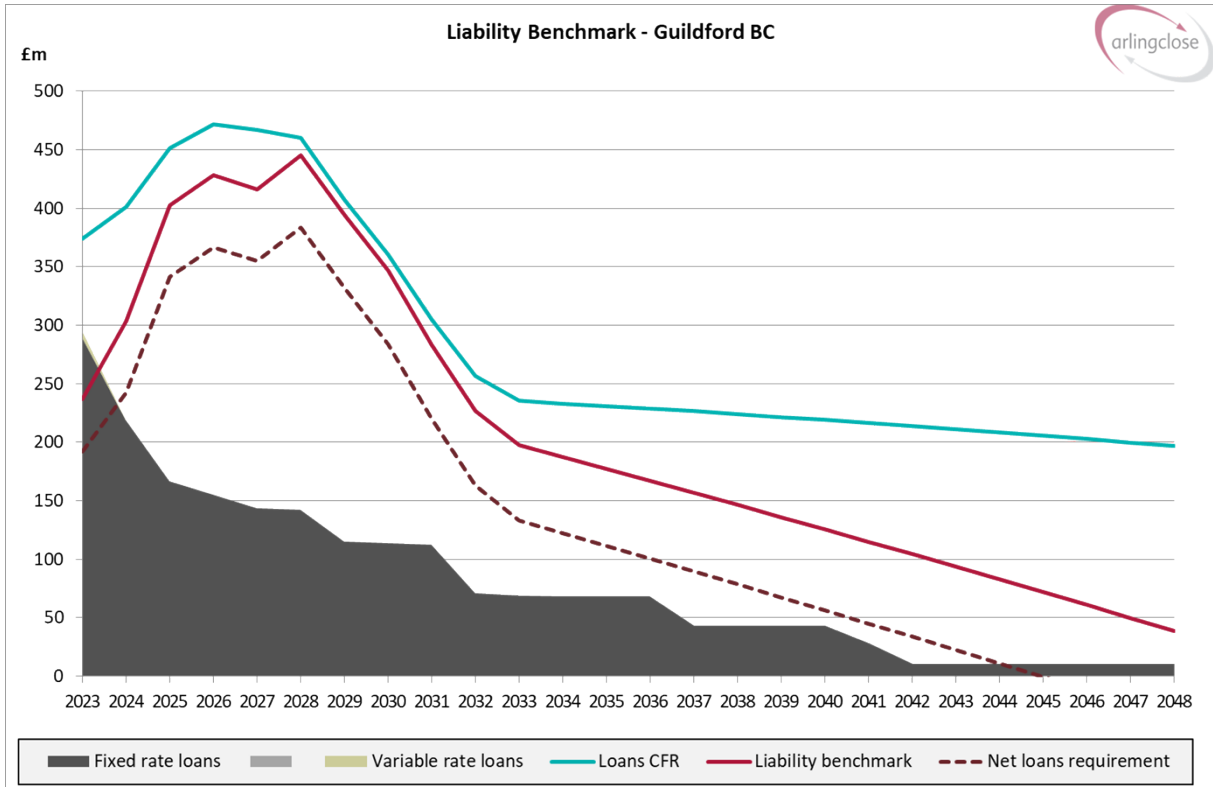
5. Treasury management, borrowing and investment strategy

- 5.1 Treasury management is the management of the Council's cash flows, borrowing and investments and the associated risks. The Council both borrows and invests substantial amounts of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.
- 5.2 Treasury risk management at the Council is conducted within the framework of the CIPFA Treasury Management in the Public Services: Code of Practice 2021 ('TM Code') which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the TM Code.

Capital Financing Requirement (CFR)

- 5.3 With the current treasury position, and future capital expenditure plans known, we can prepare a table showing the extent of our need to borrow for capital purposes (the CFR), and what we have borrowed, compared to our level (and projected level) of reserves. We split this between the HRA and the GF.
- 5.4 The CFR is derived from unfinanced capital expenditure, which arises when there are no capital receipts or reserves available to fund the capital programme.
- 5.5 The Council's investments consist of usable reserves and working capital and are the underlying resources available for investment.
- 5.6 The Liability Benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The

liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day to day cash flow.



NOTE - The impact of the asset disposal programme is not shown as timing is unpredictable at present. This will reduce the peak CFR to below £450 million.

- 5.7 The liability benchmark shows the lowest risk level of required borrowing – i.e., using the Council’s overall cash to fund the capital programme, and only externalising the borrowing when our minimum liquidity requirement is reached. If the liability benchmark line rises above the amount of loans we have (shaded area), we need to borrow externally and no longer have any internal borrowing capacity.
- 5.8 Items on the capital vision are currently excluded, mainly because the cost and/or timings of the schemes are unknown.
- 5.9 The Prudential Code recommends that the Council’s total debt (external borrowing) should be lower than its forecast CFR over the next three years – in other words, not over borrowing. The above shows that we are expecting to comply with this recommendation.

5.10 The table below shows our gross debt position against our CFR. This is one of the Prudential Indicators and is a key indicator of prudence. This indicator aims to ensure that, over the medium-term, debt will only be for a capital purpose. We monitor this position and demonstrate prudence by ensuring that medium to long-term debt does not exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for the current and next two financial years (2023/24 to 2025/26).

Position at 31 March	Actual	Forecasts		£m			
	2023	2024	2025	2026	2027	2028	2029
Loans CFR	374.2	400.9	451.5	471.8	467.1	460.1	407.2
External borrowing	-295.1	-229.6	-177.0	-165.5	-153.9	-152.4	-125.9
Internal (over) borrowing	79.1	171.3	274.5	306.3	313.2	307.7	281.4
Balance sheet resources	-182.2	-162.0	-138.3	-124.0	-103.9	-100.1	-109.0
Investments (new borrowing)	103.1	-9.4	-136.2	-182.3	-209.3	-207.6	-172.4
Treasury investments	103.1	98.2	51.0	35.3	20.0	20.0	20.2
New borrowing	0.0	107.5	187.2	217.6	229.3	227.6	192.6
Net loans requirement	192.0	239.0	313.3	347.8	363.2	360.0	298.3
Liquidity allowance	20.0	98.2	51.0	35.3	20.0	20.0	20.2
Liability benchmark	212.0	337.1	364.2	383.1	383.2	380.0	318.5

5.11 The Council has an increasing CFR due to the increasing need to borrow for the GF capital programme. The increase in estimated capital spend is more than the annual MRP. We are projecting the cash balance of the Council to reduce, whilst maintaining a good level of (core) reserves over the period shown in the table.

5.12 HRA reserves are decreasing over the early part of the period because of the HRA plans to build new social housing. Our priority is to build new homes rather than reduce debt.

5.13 GF reserves are projected to remain relatively stable (our core cash). The CFR is increasing sharply due to the proposed capital programme. We are projecting a large need to borrow for the Council from 2024/25, based on the current profile of the capital programme. We have taken out short-term loans in the year to cover cash flow.

Borrowing strategy

- 5.14 The Council's primary objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long term plans change is a secondary objective.
- 5.15 Given the significant cuts to public expenditure and in particular local government funding, our borrowing strategy continues to focus on affordability without compromising the longer-term stability of the debt portfolio. Short-term interest rates are currently at a 15 year high but are expected to fall in the coming years, therefore, it is likely to be more cost effective over the medium-term to either use internal resources or to borrow short-term loans instead.
- 5.16 We will not automatically externally borrow for the GF when the cash balance is negative, although we will review the position in line with our borrowing strategy and the cash position for the Council as a whole.
- 5.17 When making decisions about longer-term borrowing, we will review the liability benchmark, as opposed to just the CFR, to assess the length of time we need to borrow for, according to our projections on the level of reserves we may have, as well as other factors detailed in our borrowing strategy. This helps to limit a number of treasury risks of holding large amounts of debt and investments. We will also assess borrowing based on individual projects.
- 5.18 By doing this, we are able to reduce net borrowing costs (despite forgone investment income) and reduce overall treasury risk.
- 5.19 We will undertake some modelling taking into account the projects listed in the Corporate Plan and capital vision, for example, which will tell us the potential impact on our borrowing requirement.
- 5.20 We will continue to monitor our internal borrowing position against the borrowing rates in the market. Arlingclose will assist us with this 'cost of carry' and breakdown analysis in line with our capital spending plans. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2024/25 with a view to keeping future interest costs low, even if this causes additional cost in the short term.

- 5.21 The Council may decide to externalise our current internal borrowing, or to pre-fund future years' requirement, providing this does not exceed the authorised borrowing limit and the highest level of the CFR in the next three years (to ensure we do not over borrow).
- 5.22 Its output may determine whether we arrange forward starting loans where the interest is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.
- 5.23 We may continue to borrow short-term for cash flow shortages.
- 5.24 We have an agreement with Homes England on the WUV project, whereby we have been successful in being granted a loan at the local infrastructure rate. Borrowing will be taken out from the PWLB in line with the agreed timetable.
- 5.25 The Government has also announced a HRA borrowing rate which is gilts less 60bp. The Council has previously repaid £45 million of HRA borrowing and may choose to re borrow this to take advantage of the preferential rates.

Sources of borrowing

- 5.26 We have previously borrowed our long-term borrowing from the PWLB. We will consider all borrowing sources moving forwards and may explore the possibility of issuing bonds and similar instruments in order to lower interest costs and reduce over reliance on one source of funding, in line with the TM Code.
- 5.27 PWLB loans are no longer available to local authorities planning to buy investment assets primary for yield, we made the decision several years ago to only buy properties for strategic reasons, and not those purely for yield.
- 5.28 We will consider, but are not limited to, the following long- and short-term borrowing sources:
- HM Treasury's PWLB lending facility
 - UK Infrastructure Bank
 - any institution approved for investments

- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except the local pension fund)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues
- Other private institutional investors

5.29 We may also raise capital finance by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- sale and leaseback
- similar asset based finance

Municipal Bond Agency (MBA)

5.30 UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association (LGA) as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB because:

- a) borrowing authorities will be required to provide bonds investors with a guarantee to refund their investment in the event that the agency is unable to for any reason and
- b) there will be a lead time of several months between committing to borrow and knowing the interest rate payable.

Short-term and variable rate loans

5.31 These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the following interest rate exposure limits indicator, which is set to control the Council's exposure

to interest rate risk. Financial derivatives may be used to manage this interest rate risk (see below).

- 5.32 The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.
- 5.33 We are also required to present the maturity structure of borrowing. This indicator is set to control the Council’s exposure to refinancing risk, in terms of loans being unavailable. The upper and lower limits of on the maturity structure of borrowing will be:

Maturity Structure of borrowing		
	2024/25	
	Lower	Upper
Under 12 months	0%	50.00%
1 year to 2 years	0%	50.00%
3 years to 5 years	0%	60.00%
6 years to 10 years	0%	75.00%
11 years and above	0%	100.00%

- 5.34 Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Debt Rescheduling

- 5.35 The PWLB allows local authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk and where we have sufficient money in reserves to fund the repayment. The recent rise in interest rates means that more favourable debt rescheduling opportunities should arise than in previous years.

Investment strategy

- 5.36 The TM code (and CIPFA Code) requires the Council to invest its treasury funds prudently, and to have regard to the security (protecting capital sums from loss) and liquidity (keeping money readily available for expenditure when needed or having access to cash) of investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 5.37 Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal to or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested, in order to maintain the spending power of the sum invested.
- 5.38 The TM Code does not permit Councils to both borrow and invest long-term for cash flow management, but they may make long-term investments for treasury risk management purposes, including to manage interest rate risk by investing sums borrowed in advance for the capital programme up to three years, to manage inflation risk by investing usable reserves in instruments whose value rises with inflation and to manage price risk by adding diversification to the strategic pooled fund portfolio.
- 5.39 Diversification is key. All investments can earn extra interest, but not all investments will default. Also, to highlight the need for security and diversification it takes a long time of earning an extra 1% of interest cover to cover the 20% to 50% loss from a default. It is unlikely we will be able to move away from unsecured deposits entirely, but the less in this category and the more diversified the portfolio is the better the spread of risk.
- 5.40 Under the IRFS 9 accounting standard the accounting of certain investments depends on the Council's 'business model' for managing them. The Council aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and, therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

- 5.41 The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.
- 5.42 ESG considerations are increasingly a factor in global investors decision making, but the framework for evaluating investment opportunities is still developing and therefore the Councils policy does not currently include ESG scoring or other real time ESG criteria at an individual investment level. When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.

Counterparty limits

- 5.43 Limits per counterparty type on investments are shown in the table below:

Sector	Time limit	Counterparty limit	Sector limit
UK Government	50 yrs	unlimited	n/a
Local authorities and other Government entities	25 yrs	£10 million	unlimited
Secured investments	25 yrs	£10 million	unlimited
Banks (unsecured)	13 mths	£6 million	unlimited
Building Societies (unsecured)	13 mths	£6 million	£15 million
Registered providers (unsecured)	5 yrs	£6 million	£20 million
Money Market Funds	n/a	£20 million	unlimited
Strategic pooled funds	n/a	£10 million	£50 million
Real estate investment trusts	n/a	£10 million	£20 million
Other investments	5 yrs	£10 million	£20 million

- 5.44 The time limits shown are the maximum from the start of an investment, and operationally we could have a shorter duration.
- 5.45 We have set limits to try and avoid default on our investments, although this may not always be successful. By setting realistic, but prudent limits we are forcing diversification which aims to help reduce the value of a default if we are exposed to one.
- 5.46 Credit rating: investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific

investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

- 5.47 For entities without published credit ratings, investments will only be made following external advice.
- 5.48 Government: loans to, and bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years. Local Authorities are statutory bodies and have access to the PWLB for borrowing, and any of these loans would be transferred to a successor body. There has not been a Local authority default, despite some s114 notices being put in place, instead Government has stepped in so the risk of a local authority defaulting is very low.
- 5.49 Secured investments: investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.
- 5.50 Banks and building societies (unsecured): Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

- 5.51 Registered providers (unsecured): loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing and registered social landlords, formally known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.
- 5.52 Money market funds: Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.
- 5.53 Strategic Pooled funds: Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.
- 5.54 Real estate investment trusts (REITs): shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with the property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.
- 5.55 Other investments: This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Council's investment at risk.

- 5.56 Operational bank accounts: the Council may incur operational exposures, for example, through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.
- 5.57 HSBC are our bankers. We may place investments with them, and on occasions we may be in a position where we have received some unexpected cash, and we may, therefore, breach the unsecured limit. We would aim for this to be for as short a duration as possible.
- 5.58 In addition, we may make an investment that is defined as capital expenditure by legislation, such as company shares.
- 5.59 We may invest in investments that are termed 'alternative' investments. These include, by way of example, but are not limited to, things such as renewable energy bonds and regeneration bonds. These are asset backed bonds, offering good returns, and will enable the Council to enter new markets, thus furthering the diversification of our investment portfolio with secured investments and enhancing yield. Any investments entered into of this type will be subject to a full due diligence review.

Risk and credit ratings

- 5.60 Arlingclose obtain and monitor credit ratings and they notify us with any changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
 - any existing investments that can be recalled or sold at no cost will be, and
 - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

- 5.61 Where credit rating agencies announce that a credit rating is on review for possible downgrade (“negative watch”) so that it may fall below the approved rating criteria, we will limit new investments with that organisation to overnight until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.
- 5.62 The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the institutions in which we invest, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council’s treasury management and investment advisors.
- 5.63 We will not make investments with any organisation if there are substantive doubts about its credit quality, even if it meets the above criteria.
- 5.64 The Council is aware that investments with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.
- 5.65 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of our investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to meet the Council’s cash balances, then the surplus will be deposited with the UK Government via the Debt Management Office or invested in government treasury bills for example or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

5.66 We will measure and manage our exposure to treasury management risk by using the following indicators:

- Security: we have adopted a voluntary measure of our exposure to credit risk by monitoring the value-weighted average credit rating of our investment portfolio. This is calculated by applying a score to each investment based on credit ratings (AAA=1, AA+=2 etc) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk. The average portfolio credit rating target is set for A for 2024/25.
- Liquidity: we monitor our liquidity for a given financial year using an online cash-flow system. We project forward for the financial year and enter all known cash transactions at the beginning of the financial year and then update the position on a daily basis. This forms the basis of our investment decisions in terms of duration and value of investments made. We have set £45 million as our minimum liquidity requirement. We also have a high-level cash flow projection over four years.

Interest rate risk

5.67 Interest rate risk is defined as “the risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the organisation’s finances, against which the organisation has failed to protect itself adequately”. In local authorities this risk is therefore commonly considered in the context of the impact of changes in interest rates on the revenue account

5.68 Long term treasury management investments: the purpose of this indicator is to control the Council’s exposure to the risk of incurring losses by seeking early repayment of its investments. The upper limit on the long-term treasury management investments is £30 million.

5.69 Long-term investments with no fixed maturity date include strategic pooled funds, and REITs but exclude money market funds and bank accounts with no fixed maturity date as these are considered long-term.

5.70 Where we invest longer-term, we strike a balance between tradeable and fixed term investments. Whilst we do not enter into the tradeable

deposits with the intention of selling, we are helping mitigate the risk exposure by using these types of investments so if we have a liquidity problem, we can liquidate these investments prior to maturity at nil or minimal cost.

- 5.71 Whilst we are a long-term borrower, where we do invest cash for longer than three years it is generally in tradeable instruments (e.g. covered bonds) so we have access to liquidity if we need it, and are therefore comfortable we are not investing primarily for financial return

6. Other items

- 6.1 There are a number of additional items the Council is obliged under the TM CIPFA code.

Policy on the use of Financial Derivatives

- 6.2 Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g., interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits).
- 6.3 The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e., those that are not embedded into a loan or investment).
- 6.4 The Council will only use standalone derivatives (such as swaps, forwards, futures, and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.
- 6.5 We may arrange financial derivative transactions with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures. The current value of

any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

- 6.6 In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

Markets in Financial Instruments Derivative

- 6.7 The Council has opted up to professional client status with its providers of financial services, allowing it to access a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of our treasury management activities, the Chief Financial Officer believes this to be the most appropriate status.

Policy on apportioning interest to the HRA

- 6.8 The Council operates a two-pooled approach to its loan's portfolio, which means we separate long-term HRA and GF loans.
- 6.9 Interest payable and other costs or income arising from long-term loans (for example premiums and discounts on early redemption) will be charged or credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRAs underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance, which may be positive or negative. Annual interest will be calculated on the closing balance at our average interest rate on treasury investments excluding strategic pooled funds, adjusted for credit risk if a net investment balance, and at the council's average rate of borrowing if a net borrowing balance.
- 6.10 We will charge long-term loan interest on an actual basis, as incurred.

Mandate Proposal			
Author:			
1. Introduction and background:			
Machinery for grounds maintenance at the crematorium			
2. Why should a project be started, or a growth bid be considered now?			
To renew vital equipment in line with HAV protocol			
3. What is the good idea or problem to be solved?			
Machinery is nearing end of life and requires replacing - it is not an option to not maintain the crematorium gardens of remembrance			
4. What will be delivered? What are the success criteria? What is the purpose of the project?			
To maintain upkeep of the gardens of remembrance where ashes are laid to rest.			
5. What is in scope and what is out of scope?			
N/A			
What priority, corporate objective or strategy is fulfilled by this project?			
N/A			
6. List desired benefits (non-financial)			
Maintains gardens of remembrance.			
7. IT Project Requirements (Ensure you consider links to Business World and Salesforce)			
N/A			
8. What are the strategic options available to GBC to deliver a solution?			
n/a			
9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service			
N/a			
10. What impact assessments have been undertaken? What are the impacts on other Services or projects?			
n/a			
11. What general approach will be taken to deliver?			
Will team with parks to obtain best value			
12. When and why must the work/project start?			
Machinery has end of life – this capital bid incorporates what we know needs replacing.			
13a. What does Waverley/Guildford currently do to provide this service?			
FTE are employed at the crematorium to maintain the grounds these FTE also provide chapel cover and cremator tech cover.			
13b. What discussion has been had with Waverley/Guildford about this mandate?			
Nil			
13c. What opportunities are there for savings through the collaboration?			
Currently looking at options for grounds maintenance for the cemeteries with Waverly’s contractor but there are procurement issues at present. No collaboration ref crematorium grounds.			
13. What stakeholders will need to be involved?			
Nil			
14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?			
Nil			
15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.			
Year	Capital Total (£)	Revenue Total (£)	Income Total (£)
2023/24			

2024/25	22,000	Nil	Nil	
2025/26	10,000			
2026/27	10,000			
2027/28				
16. For projects, what are the potential resource costs to progress to the next stage/gate?				
Nil				
17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks				
Issue – There is an issue that				
Nil				
Assumptions – There is an assumption that...				
Dependencies – There is a dependency on...				
Constraints – A constraint is...				
Opportunities – There is an opportunity to...				
Risks – There is a risk that...				

Mandate Proposal: Wildfield Ballcourt
Author: Sally Astles
1. Introduction and background:
<p>This report is seeking capital for <u>Wildfield ballcourt in Wood Street Village</u>. The Council entered into a lease to install and maintain a ballcourt on land owned by Surrey County Council (SCC) with the terms that GBC would remove the ballcourt at the end of the lease. The lease has expired and to avoid removing the ballcourt right now, we are entering into a renewal of five years. We estimate the tarmac surface has five to ten years of life. The surface is starting to show areas of wear. We do not anticipate any costs for maintenance over the next five years, beyond the current routine safety checks and litter removal, but we anticipate repair costs after that time. We have a legal requirement to remove the ballcourt at the end of the lease (or renew the lease and maintain the court). Visitor use of the ballcourt appears relatively light based on wear to the grass to the court.</p>
2. Why should a project be started, or a growth bid be considered now?
<p>This bid is for five years' time.</p> <p>At the end of the lease, if we neither remove the ballcourt nor maintain the surface, we will be in breach of the lease we agreed, and SCC could take legal action against us.</p> <p>Capital is required as we cannot fund the removal or a refurbishment from revenue due to the cost of tarmac. The capital is required to ensure:</p> <ul style="list-style-type: none"> • funding is in place to remove the MUGA in a timely fashion at the end of the lease; • to meet our legal obligations under the lease; • to help fund resurfacing or repairs to the tarmac surface (cost unknown) if the Council decides to keep the ballcourt and renew the lease again in five years' time.
3. What is the good idea or problem to be solved?
<p>To meet our legal obligations in a lease between GBC and SCC.</p>
4. What will be delivered? What are the success criteria? What is the purpose of the project?
<p>As described above.</p>
5. What is in scope and what is out of scope?
<p>Funding will be required to break up and remove all the tarmac, dispose of it, remove the ballcourt ends and reinstate grass. Possibly the ballcourt ends could be installed at another site rather than disposed of.</p> <p>Alternatively, funding will be required to repair the tarmac and reline the ballcourt within five years of the renewal.</p>
What priority, corporate objective or strategy is fulfilled by this project?
<p>None, this is required due to GBC signing a lease that commits us to funding a ballcourt.</p>

6. List desired benefits (Non-financial)
Meeting the terms of the lease
7. IT Project Requirements (Ensure you consider links to Business World and Salesforce)
N/A
8. What are the strategic options available to GBC to deliver a solution?
<p>There are two options at the end of the lease:</p> <ol style="list-style-type: none"> 1. Funding will be required to break up and remove all the tarmac, dispose of it, remove the ballcourt ends and reinstate the grass. This will allow GBC to end the lease with SCC and cease any maintenance and repair obligations. It will remove the facility, but it will end GBC's responsibility to keep the ballcourt safe and in good repair. 2. Alternatively, funding will be required to repair the tarmac and reline the ballcourt. This will continue GBC's responsibility to visit and check the site for hazards, litter and repairs. The tarmac surface will require repair at some point during the years after 2029. <p>The removal will close a facility to residents and therefore in five years' time, the Council may take the view that we should continue to maintain the ballcourt. However, the ballcourt is located on common land and GBC have no other maintenance obligations on the land. Removal will hand the site back to SCC to maintain and this is currently the recommended option, subject to a review of circumstances at that time.</p>
9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service
Joint Strategic Director – Community Wellbeing, Annie Righton, Executive Head Environmental Services, Chris Wheeler, and Lead Councillor for Planning, Environment and Climate Change, Cllr George Potter
10. What impact assessments have been undertaken? What are the impacts on other Services or projects?
None.
11. What general approach will be taken to deliver?
The removal of the ballcourt would be carried out in-house. If the courts are refurbished, a contractor would be employed.
12. When and why must the work/project start?
2028/9 so that the lease can be terminated within the terms required. The exact date is not yet known as the lease renewal has not yet concluded, but it must be five years from the completion.
13a. What does Waverley/Guildford currently do to provide this service?
N/A

13b. What discussion has been had with Waverley/Guildford about this mandate?			
N/A			
13c. What opportunities are there for savings through the collaboration?			
N/A			
13. What stakeholders will need to be involved?			
Ward Cllrs and Lead Cllr in five years' time.			
14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?			
Nothing required until the lease ends. Then Parks staff will need to progress the in-house removal or appoint a contractor to resurface the court. Asset Management and Legal services will need to end or renew the lease.			
15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.			
N/A			
Year	Capital Total (£)	Revenue Total (£)	Income Total (£)
2023/24			
2024/25			
2025/26			
2026/27			
2027/28			
2028/29	£30,000		
16. For projects, what are the potential resource costs to progress to the next stage/gate?			
N/A			
17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks			
Issue – Without the funding we will not be able to remove the ballcourt and will be in breach of the lease. Alternatively, we may not be able to fund keeping the ballcourt in a safe state of repair under a renewed lease.			
Assumptions – There is an assumption that... the Council's aim is not to be in breach of the lease.			
Dependencies – There is a dependency on...			

Constraints – A constraint is... the terms of the lease.
Opportunities – There is an opportunity to... end the resource requirement to maintain the ballcourt (in five years' time)
Risks – There is a risk that... SCC could take legal action if we fail to carry out the terms of the lease.
18. Reviewer List: No one further to add
Involved or sighted so far and to be updated on changes: <ul style="list-style-type: none">• Ward Cllrs: Bilal Akhtar, Honor Brooker, Philip Brooker, George Potter• ..
Next to be consulted <ul style="list-style-type: none">• ..• ..

Mandate Proposal Playground Refurbishments

Author:

1. Introduction and background:

Playground Refurbishments 2024 to 2029

GBC is responsible for thirty-five play areas around the borough. The council has successfully completed a capital programme of refurbishment for many years to ensure these are upgraded, based on the council’s Play Strategies and refurbishment ‘Action Plans’. The [Play Strategy 2016 - 2021](#) was a project milestone within the Council’s Corporate Plan 2018-2023. The overall aim of the strategy is to enhance and promote opportunities for play and to ensure the importance of play is recognised and valued. Since then, the playground action plan has been revised to incorporate the latest condition findings and the programme timescales for future refurbishments have been updated.

In 2024, two playgrounds in Westborough will be refurbished using capital funding and a further play area in Ash will be refurbished later in the year, using s106 funding. Whilst s106 continues to be pooled to fund playground refurbishments, it is not necessarily available to the playgrounds that need refurbishing or in amounts required to fund a full replacement. Many wards do not have opportunities for s106 from development, or they are in small amounts. Westborough for instance lacked s106 funding and therefore capital was the only option.

This mandate it to seek approval to continue the capital programme for playground refurbishments from 2025 onwards to be used to support and supplement available s106, where appropriate.

2. Why should a project be started, or a growth bid be considered now?

Local authorities are one of the main providers of play provision and facilities. We recognise that play is a crucial part of a child’s development and wellbeing. It is something adults take for granted that children do naturally. The more complicated, busy and risk averse our lives become, the fewer opportunities there are for children to play freely. Play provision is therefore part of the necessary infrastructure, which needs to be planned and sustained, in order to play its part in sustaining healthy communities.

By adequately funding our play areas we will also ensure that we are adhering to the UN convention on the rights of the child.

[UN Convention on the Rights of the Child - UNICEF UK](#)

3. What is the good idea or problem to be solved?

Playgrounds require continuous maintenance. Their typical lifespan is around 20 to 25 years, but parts that move and surfacing has a life expectancy of around 5 years or less. Playground equipment must be kept safe and is expensive to replace. Revenue only supports day to day repairs.

Funding for playgrounds needs to be planned and sustained to ensure safe and attractive play spaces for residents of the borough. Failing to refurbish them is likely to lead to closures due to safety issues and lack of revenue budget to repair or replace them.

4. What will be delivered? What are the success criteria? What is the purpose of the project?
<p>The objective will be to complete five playgrounds in the next five years using s106 and capital funding, in addition to the three planned to complete in 2024. Parks will also deliver a new path for the newly refurbished Foxenden Quarry play area which has a cost of £20,000 and creates DDA access through the play area.</p>
5. What is in scope and what is out of scope?
<p>Refurbishment of play areas will include reviewing and replacing where necessary fencing, gates, surfacing, play equipment, playground paths and landscaping at each play area.</p>
What priority, corporate objective or strategy is fulfilled by this project?
<p>Corporate Plan: “ We will support the most vulnerable members of our community as we believe that every person matters.” “Tackling inequality in our communities” “Work with communities to support those in need”</p> <p>Guildford’s Play Strategy: The play strategy establishes that ‘play provision is part of the necessary infrastructure for healthy communities’. It sets out the action plan to refurbish our play areas.</p> <p>In 2019, the Surrey Health and Wellbeing Board published a 10-year Health and Wellbeing Strategy, refreshed in 2022, to ensure a focus on reducing health inequalities. The strategy’s priorities, supported by GBC, are:</p> <ul style="list-style-type: none"> • promote physical, emotional and mental wellbeing • help people achieve their full potential by addressing the things that affect health • supporting people to lead a healthy lifestyle.
6. List desired benefits (Non-financial)
<p>Research has evidenced the positive role of open space and physical activity for children and adults alike in reducing health inequalities and improving mental as well as physical health. Outdoor activity has been shown to benefit children who find it difficult to concentrate indoors, to benefit mental health and general physical health and thereby contribute to healthy communities. There is also evidence that the more children play outside, the more likely they are to use outdoor spaces as adults – and therefore go on to encourage their own children to play outside. The research is reflected in the physical activity guidelines for children and adults produced by the Department of Health.</p>
7. IT Project Requirements (Ensure you consider links to Business World and Salesforce)
<p>N/A</p>
8. What are the strategic options available to GBC to deliver a solution?
<p><u>Do Nothing</u> – Parks will continue to maintain the playgrounds we have, but when repairs to make them safe exceed the available revenue budget, the only option will be closure.</p>

<p><u>Do Minimum</u> - this would be a small capital budget to replace surfacing and equipment when it fails. Play areas would remain as they are, requiring increased levels for maintenance as they age. This option may still lead to playground closures if funds run out. A minimum amount for this purpose might be around £100,000. It would not be sufficient to completely replace a mid-sized play area but would replace a few items of equipment and/or surfacing.</p> <p><u>Do more</u> – approve the funding for the current programme for the next five years (recommended). This is requested at £600,000 and assumes there will be s106 available over the next five years to top up this fund.</p> <p><u>Do most</u> – approve a larger capital budget for the next five years for even better/larger playgrounds at the proposed sites and potential to refurbish more playgrounds in the time period. A guide amount for this would be £1,000,000.</p>
<p>9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service</p>
<p>Joint Strategic Director – Community Wellbeing, Annie Righton, Executive Head Environmental Services, Chris Wheeler, and Lead Councilor for Planning, Environment and Climate Change, Cllr George Potter</p>
<p>10. What impact assessments have been undertaken? What are the impacts on other Services or projects?</p>
<p>N/A</p>
<p>11. What general approach will be taken to deliver?</p>
<p>Each new playground will be procured via a tender process.</p>
<p>12. When and why must the work/project start?</p>
<p>Available budget for new playgrounds runs out in 2024, once the two playgrounds in Westborough open. This capital bid is therefore for the year 2025/26 onwards.</p>
<p>13a. What does Waverley/Guildford currently do to provide this service?</p>
<p>The maintenance of playgrounds is outsourced.</p>
<p>13b. What discussion has been had with Waverley/Guildford about this mandate?</p>
<p>N/A</p>
<p>13c. What opportunities are there for savings through the collaboration?</p>
<p>None</p>
<p>13. What stakeholders will need to be involved?</p>
<p>Cllrs, Ward Cllrs and residents local to each playground who will need to be consulted on the design proposals.</p>
<p>14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?</p>
<p></p>

Parks Asset officer to progress the projects, Procurement, Legal, Comms etc. at various stages of each playground refurbishment.			
15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.			
Year	Capital Total (£)	Revenue Total (£)	Income Total (£)
2023/24	0*		
2024/25	£20,000		
2025/26	£80,000		
2026/27	£300,000		
2027/28	£200,000		
*excludes already approved capital for Westborough playgrounds			
16. For projects, what are the potential resource costs to progress to the next stage/gate?			
No additional resource costs. Progressed in-house.			
17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks			
Issue – There is an issue that there is no planned funding to replace old and unsafe playgrounds.			
Assumptions – There is an assumption that...the council wishes to continue to provide playgrounds in its open spaces and maintain the number it currently has. That the capital will only be used to replace existing playgrounds and not to add additional new ones where none already exist (as this will increase revenue costs).			
Dependencies – There is a dependency on... staff resource to project manage, develop contracts and procure contractors to carry out the refurbishments.			
Constraints – A constraint is... budget level and availability			
Opportunities – There is an opportunity to... continue the refurbishment programme and maintain the high standard of Guildford’s play spaces.			
Risks – There is a risk that...playgrounds will be delayed by lack of staff resource and slow processes. There is a risk of price increases, reducing what the budget will purchase in future years.			
18. Reviewer List:			
Involved or sighted so far and to be updated on changes:			
• ..			
• ..			
Next to be consulted			
• Cllr George Potter			
• ..			
19. CMB:EPB Date & Direction			
CMB: EPB Date:			

CMB:EPB outcome and next steps:
Governance route - What are the possible or proposed next steps for this mandate /business justification case in terms of governance and decision making?
Delegated authority to the Exec Joint Head of Environment for each playground contract.

Mandate Proposal
Author: James Beach
1. Introduction and background:
<p>Historically ICT has had access to the IT Renewals Reserve via an “IT Renewals Fund” allocation of £500k annually. This has funded:</p> <ul style="list-style-type: none"> - The organisation’s annual Microsoft Enterprise Agreement (licensing and cloud usage charges) renewal - IT user hardware (laptops, monitors etc.) replacement/purchases - Infrastructure hardware purchases <p>This year we are being asked to bid for this funding. This bid covers the second and third bullet points only: our IT user hardware replacement/purchases and minor infrastructure hardware purchases.</p> <p>IT hardware used to be replaced on a break-fix basis i.e. we used them until they broke. This model impacts business users with older devices as they become less reliable with use.</p> <p>In 2020 we agreed a lifecycle for each device type (based on common industry standards), and forecast to replace devices in-line with this. Due to the Council’s financial challenges, this model was paused in 2021 for all devices other than smartphones and tablets where devices are insecure after their vendor-defined lifecycle ends due to the Council’s financial challenges.</p>
2. Why should a project be started, or a growth bid be considered now?
<ul style="list-style-type: none"> • Existing IT hardware will become increasingly unreliable and ultimately fail if there is no plan to replace them. Unreliable user hardware reduces the efficiency of affected staff, unreliable infrastructure hardware is likely to cause wider outages of ICT services. • New devices are needed when there are no existing devices for new starters, or replacement of a lost, stolen or irreparable failure.
3. What is the good idea or problem to be solved?
<p><u>Good idea:</u> Agree a new lifecycle or approach for device replacement, and reinstate the IT Renewals fund accordingly.</p> <p><u>Problem:</u> Existing ICT hardware has not been replaced unless it completely fails*, since 2020 (possibly before):</p> <ul style="list-style-type: none"> • Most “new” ICT infrastructure hardware was purchased in Summer 2018. These are seen to have a 5-year reliable lifecycle stretchable to 7-years, therefore will likely need to be replaced in the next couple of years to remain reliable. With the removal of the IT Renewals Fund, no repair or replacement budget currently exists. • Most laptop were bought between November 2018 and January 2019. These are seen to have a 3-year reliable lifecycle stretchable to 4-years, therefore we are likely to see increased issues with these. With the removal of the IT Renewals Fund, no repair or replacement budget currently exists. <p>*Except smartphones and tablets as these devices have a vendor-defined lifecycle and become insecure once this is reached (no security updates are released).</p>
4. What will be delivered? What are the success criteria? What is the purpose of the project?
<p>Funding to:</p> <ul style="list-style-type: none"> - Replace IT hardware on an agreed lifecycle, and

<ul style="list-style-type: none"> - Repair and maintain IT hardware within lifecycle <p>Assuming an extended lifecycle remains the agreed strategy for the Council (perhaps 7 years for infrastructure hardware, and 5-years for user hardware), a repair budget would not only repair accidental damage (e.g. broken screens) but also parts that are more likely to fail with age (e.g. batteries, hard drives, keyboards and fans).</p> <p>Success would be measured by:</p> <ul style="list-style-type: none"> - Maintaining near-zero IT outages from hardware failure - Maintaining a low level of tickets for user hardware failure - Business satisfaction that user devices and peripherals are not affecting the efficiency of their teams.
<p>5. What is in scope and what is out of scope?</p> <p>In-scope:</p> <ul style="list-style-type: none"> - Capitalisable IT hardware (e.g. servers, network switches and firewalls, plus laptops, PC's, monitors, and docking stations) <p>Out-of-scope:</p> <ul style="list-style-type: none"> - Smartphones and tablets (Finance do not treat these as capital assets currently) - Peripherals e.g. headsets and USB keyboards
<p>What priority, corporate objective or strategy is fulfilled by this project?</p> <p>All – IT infrastructure hardware and user devices are used across all business areas, to support the delivery of their goals.</p> <p>“Efficient” mission: Reliable hardware enables staff in all teams to work more efficiently.</p> <p>The above said, this bid is less about accelerating replacement of devices, and more about clarifying our interim IT hardware replacement strategy.</p>
<p>6. List desired benefits (Non-financial)</p> <p>Agreement to an interim hardware replacement strategy whilst financial constraints have made it appropriate to pause existing lifecycles.</p>
<p>7. IT Project Requirements (Ensure you consider links to Business World and Salesforce)</p> <p>There is likely to be a resource requirement to support the infrastructure hardware replacement need when this is scheduled.</p>
<p>8. What are the strategic options available to GBC to deliver a solution?</p> <p>1. Do nothing (current process): Seek to strip broken hardware for parts, and try to repair/fix devices as they fail wherever possible. <i>This option has a significant risk of efficiency impacts on users from extended outages both from individual laptop outages, and infrastructure outages.</i></p> <p><i>It is still likely that a number of laptops would be needed over time, to replace irreparable devices, and those stripped for parts.</i></p> <p><i>This option requires a budget:</i></p> <ul style="list-style-type: none"> a. To replace hardware left irreparable or stripped for parts b. Optional but recommended: a small budget for parts

c. *Optional but recommended: a small budget for third party repairs to enable a wider range of repairs to be conducted by skilled maintenance engineers*

2. Do minimum: Agree an extended lifecycle for hardware, seeking to repair devices up to this extended lifecycle, replacing them only when they require repair beyond this extended lifecycle.

This option clarifies a strategy, and then seeks to use hardware until the point of failure, repairing to an agreed age, and replacing on failure thereafter. This option allows increasing reliability issues to affect the business, but seeks to get life out of assets that work beyond their forecast lifecycle.

If this option is chosen, it is recommended that Case Services/ICT Specialists be supported in the early retirement of devices that have high repair costs (or repeated repair requirement) close to the lifecycle date. This avoids investment in devices that the Council's ICT experts expect to remain unreliable.

This option requires a budget:

- a. *To replace hardware that is retired*
- b. *Optional but recommended: a small budget for parts*
- c. *Optional but recommended: a small budget for third party repairs to enable a wider range of repairs to be conducted by skilled maintenance engineers*

3. Do more: Agree to reimplement agreed lifecycle model for hardware, but ask ICT to take greater risk in lifecycle timings

This option would reinstate lifecycles permanently, but ask ICT to model the timelines for lifecycles on a higher risk approach than standard industry lifecycles (e.g. targeting 10% level of user hardware failure before a model is replaced).

This approach increases the risk of business impact from outages, but extends the use of hardware within the organization, thereby reducing planned costs. So long as lifecycles are not excessively extended, it is likely to impacts will be contained to efficiency loss without financial costs (external spend).

This option requires a budget:

- a. *To replace hardware that is retired*
- b. *Optional but recommended: a small budget for parts*
- c. *Optional but recommended: a small budget for third party repairs to enable a wider range of repairs to be conducted by skilled maintenance engineers*

4. Do most: Agree to reimplement originally agreed lifecycle for hardware

This option would make most user hardware due for replacement in 2024/25, and infrastructure hardware either in 2024/25 or 2025/26. This would bring hardware back into support, and reduce outage risks.

Lifecycles are not fixed timelines. When implemented, they should be monitored by the Lead Specialist for ICT, and adjusted (left and right) based on actual hardware performance. Models seeing earlier signs of failure than expected may see their lifecycle shortened, equally lifecycles are extended where models appear to outperform expectations.

Given the significant delays to the business system migrations in the ICT Refresh Programme, the 2018 servers have not been used as heavily as their lifecycle assumed. It is therefore

<p><i>likely that ICT would choose to extend their lifecycle, and monitor carefully for early signs of failure.</i></p> <p><i>This option requires a budget:</i></p> <ul style="list-style-type: none"> <i>a. To replace hardware that is retired</i> <i>b. Optional but recommended: a small budget for parts</i> <i>c. Optional but recommended: a small budget for third party repairs to enable a wider range of repairs to be conducted by skilled maintenance engineers</i> <p>Option 3 is recommended, as it balances the need to avoid business impact (by retiring models rather than waiting for each device and therefore staff member to be affected by a hardware failure) with the need to reduced costs for the Council. This will increase the risk and occurrence of hardware failures, but it is believed that this is an appropriate interim balance whilst the Council tackles cost challenges.</p>
<p>9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service</p>
<p>Director: Annie Righton Executive Head: Nicola Haymes Portfolio Holder: Angela Goodwin</p>
<p>10. What impact assessments have been undertaken? What are the impacts on other Services or projects?</p>
<p>The original lifecycles were based on minimizing the impact from outages on business areas. Dependent on the option chosen, it may be appropriate to perform impact assessments for the impacts of outages.</p>
<p>11. What general approach will be taken to deliver?</p>
<p>Case services are likely to be able to handle end-user hardware replacements.</p> <p>Case services can handle some simple end-user hardware maintenance and repairs, if parts are available (purchased or stripped from other devices).</p> <p>Complex or risky end-user hardware maintenance and repairs would currently need to be outsourced (if a budget was available for this).</p> <p>A similar situation exists for infrastructure hardware with ICT Specialists. Significant infrastructure changes may also require third party assistance (e.g. replacement of firewalls for security reasons must be implemented perfectly first-time).</p>
<p>12. When and why must the work/project start?</p>
<p>Prior to the new financial year: Without a clear direction on IT hardware replacement plans, the removal of the IT Renewals Fund leaves no option for IT hardware to be replaced when failed, or for new starters to be issued hardware if no functional option exists.</p>
<p>13a. What does Waverley/Guildford currently do to provide this service?</p>
<p>Waverley currently replace hardware in a similar lifecycle model (in-line with the IT Manager's recommendation).</p>
<p>13b. What discussion has been had with Waverley/Guildford about this mandate?</p>
<p>None</p>

13c. What opportunities are there for savings through the collaboration?			
<p>If the Council's were happy that things did not need to be reasonably reversible, the Council's could share business systems, or an infrastructure environment (servers etc.). Whilst this would not half the ICT infrastructure costs (unless sites and staff reduced to that of one of the organisations), a reduction in infrastructure costs would be expected from decommissioning one organisations server infrastructure.</p> <p>Laptops/end-user devices differ significantly between the organisations. If a standard was agreed between the organisations, we could share the cost of these, rather than issue separate end-user devices (WBC issuing thin clients, GBC issuing laptops).</p>			
13. What stakeholders will need to be involved?			
<p>Finance/Financial Control Panel, ICT, and potentially JMT/Directors.</p> <p>This is a decision about balancing the risk/impact of hardware failure with the hardware costs during a financially pressured time for the Council. There is no "right" answer.</p>			
14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?			
<p>Capital bid process stakeholders</p>			
15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.			
<p>This estimate assumes option 3. Also, per Finance team standards, this does not allow for inflation, although inflation is standard in ICT hardware providers so it is strongly recommended that this is applied.</p> <p>It should be noted that this estimate has to predict hardware failures, and the timing that BAU resource will be able to implement infrastructural hardware. It is therefore subject to many variables. Whilst long-term estimates are likely to be reasonably accurate, the allocation to each Financial Year is likely to be less accurate.</p>			
Year	Capital Total (£)	Revenue Total (£)	Income Total (£)
2023/24	£73,000		
2024/25	£577,000 + £3,000 + £3,000		
2025/26	£430,500 + £3,000 + £3,000		
2026/27	£57,000 + £3,000 + £3,000		
2027/28	£59,000		

	+ £3,000		
	+ £3,000		
2028/29	£332,000		
	+ £3,000		
	+ £3,000		

16. For projects, what are the potential resource costs to progress to the next stage/gate?

Case services are likely to be able to handle end-user hardware replacements.

Case services can handle some simple end-user hardware maintenance and repairs, if parts are available (purchased or stripped from other devices).

Complex or risky end-user hardware maintenance and repairs would currently need to be outsourced (if a budget was available for this). An allowance has been included in Q15 for this.

A similar situation exists for infrastructure hardware with ICT Specialists. Significant infrastructure changes may also require third party assistance (e.g. replacement of firewalls for security reasons must be implemented perfectly first-time). Costs would have to be identified when individual hardware components were considered for replacement.

17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks

Issue

- There is an issue that the Council has withdrawn the usual allocation for the IT Renewals Fund, without which a further 5-years would need to be gained from all existing hardware with no repair bills or new purchases incurred. This is highly unlikely to be possible.
- The Council is in the process of signing a new mobile telephony contract, which will no longer provide a “technology fund” (a pre-purchased hardware fund for smartphones and tablets). This means there will be no ability to replace existing devices when they can no long receive security updates, are broken, or an addition device is requested.

Assumptions

- There is an assumption that Finance wish to continue to capitalize laptops, PC’s, monitors and docking stations, plus bulk but not small-scale purchases of smartphones and tablets.

Dependencies – There is a dependency on

Constraints – A constraint is that all new staff and many contractors using our systems need a device. IT has no choice but to buy (and therefore fund) such hardware once a new starter record is created by the business (showing they have entered a contract with a new staff member or organization).

Opportunities

- There is an opportunity to explore Bring-Your-Own-Device for staff and/or contractors, to avoid providing laptops. In the case of staff, this is likely to require the Council to avoid a cash allowance initially equal to the cost of the replacement, so of little short term benefit. For contractors this has been reviewed by ICT. The current urgent nature of the ICT Refresh Programme and Cyber Resilience Programmes have been prioritized first, but initially assessments have suggested further

server hardware and licensing would be needed to handle the volume of virtual desktop sessions to replace contractor devices. It is assumed that this will be considered in the options for scaling of replacement servers once agreed to happen.

Risks –

- There is a risk that the number of WBC employees requiring a GBC device continues to slowly grow without funding from the collaboration programme.
- There is a risk that short term staff including work experience students and contractors are recruited to tackle short term business area challenges. These generally require laptops and can force purchases.
- Continuation of the last 3-years freeze on IT hardware lifecycles with an aim to “review in a year” risks us having no plan for the capital costs when replacement becomes essential.
- The longer hardware lifecycles are extended, the more likely the Council will default to the “IT device refresh project” model (i.e. replace all devices in a short window), likely requiring external resource to manage a large-scale rollout. Lifecycling was designed to avoid such costs by replacing 25-33% of user devices per year ongoing.
- Hardware is already being used beyond warranty support periods (including core network and server infrastructure). If failures occur, outages could be significant as no support arrangement is in place to repair/replace the failed hardware, and specialist resources may need to be purchased to resolve/recover for issues.

Mandate Proposal – Bedford Rd MSCP – Brick, Concrete and Water Damage Repairs	
Author: Scott Jagdeo	
1. Introduction and background:	
Bedford Road Multi Storey Car Park is one of five owned and operated in Guildford by the Council. There are structural issues with the brick clad wall at a high level on one corner of the car park. Sections of the brick cladding are loose and required immediate attention to repair. Investigations show that sections of the brick cladding and surrounding reinforced (RC) concrete frame are failing because of water leaking from adjacent raised flower beds on a podium deck that serves Housing’s Bedford Rd HRA flats above the car park. Works are required to remove or tank these flower beds, followed by safe access and brick cladding and concrete repairs to the RC concrete frame.	
2. Why should a project be started, or a growth bid be considered now?	
The project is required since initial investigations identified failings in the brick cladding and concrete frame to parts of the car park. Temporary works have been undertaken to make the area safe. However, a permanent repair is required.	
3. What is the good idea or problem to be solved?	
Remove or tank / line the raised flower beds to the podium deck that are largely responsible for the surrounding failures to the brick cladding and concrete frame. Repair and stabilise the brick cladding and concrete frame to various part of the car park where this is failing and mitigate any health and safety risks.	
4. What will be delivered? What are the success criteria? What is the purpose of the project?	
The purpose of the project is to repair and stabilise the brick cladding and concrete frame to various parts of the car park. Remove and repair the cause for these failures, namely, the adjacent brick-built planters.	
The success criteria will be to deliver the project on time, within budget, and to the requisite quality. As well as ensuring that all health and safety matters are suitably addressed.	
5. What is in scope and what is out of scope?	
In scope is safe access (scaffold, cherry picker etc.) and rebuilding and repairing the brick cladding and concrete to various parts of the car park. Moreover, works to either remove or line the brick-built flower beds to prevent any further decay.	
No other works to Bedford Rd MSCP or the curtilage of this property or land are proposed.	
6. What priority, corporate objective or strategy is fulfilled by this project?	
The proposed work does not specifically address a corporate objective or strategy. It does, however, look to resolve structural and health and safety issues that are currently mitigated by temporary repair works.	
7. List desired benefits (Non-financial):	
Resolution of structural and health and safety issues. Repairs and future preservation of a Council owned asset.	
8. IT Project Requirements (Ensure you consider links to Business World and Salesforce):	
N/A.	
9. What are the strategic options available to GBC to deliver a solution?	
As a project designed to repair high level brick cladding and reinforced concrete frame there are few alternatives to affecting an approved repair in the manner described. Whilst the option of doing nothing always exists, in this case structural issues have been highlighted, temporary repairs undertaken, and repairs are deemed essential. Not undertaking these works will lead to further deterioration of the brick cladding and RC concrete frame, increased cost, and the likelihood that parts of the car park will need to be taken out of use.	
10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service:	
The work will be managed and undertaken Assets and Property building surveyors. As such, the relevant leads for that team are as follows: <ul style="list-style-type: none"> • Dawn Hudd – Joint Strategic Director – Place • Marieke van der Reijden – Executive Head for Assets and Property 	

<ul style="list-style-type: none"> • Cllr Richard Lucas - Lead Member for Assets and Finance 																								
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<p>12. What general approach will be taken to deliver?</p>																								
<p>The project will largely be delivered in house by a building surveyor within the Assets and Property team. A Structural Engineer will be required and will be appointed externally. A Principal Designer will be required to comply with the CDM Regulations 2015; an external consultant will be appointed for this role also.</p>																								
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<p>13c. What opportunities are there for savings through the collaboration?</p>																								
<p>N/A.</p>																								
<p>14. What stakeholders will need to be involved?</p>																								
<p>Assets and Property will coordinate the works with the Council’s Parking team, to ensure works do not impact on the operation of the car park too greatly. The Housing team will be kept abreast of matters relating to works to the podium deck. Marieke van der Reijden will be kept informed of the project.</p>																								
<p>15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?</p>																								
<p>The work will be managed by a building surveyor in the Assets and Property team. Input will be required from Procurement to assist with tendering for the work and from Legal for putting the necessary contracts in place. A structural engineer will be appointed in connection with the design of the structural repairs. An external CDM coordinator will be employed to oversee compliance with the Construction (Design and Management) Regulations 2015.</p>																								
<p>16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.</p>																								
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<p>17. For projects, what are the potential resource costs to progress to the next stage/gate?</p>																								
<p>Subject to financial approval, the next stage of this project is to design and specify the repair works and seek the necessary approvals to proceed. For that the input of external consultants together with officer time to</p>																								

<p>manage the process will be required. The cost of this exercise is estimated to be in the region of £15k-£20k. Costs are included in the above.</p>
<p>18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks</p>
<p>Issue – There is an issue that:</p> <ul style="list-style-type: none"> • There is an issue that the Assets and Property service currently does not have a senior building surveyor in post. This could lead to delays in procuring the external consultants to get going asap.
<p>Assumptions – There is an assumption that:</p> <ul style="list-style-type: none"> • The Council has an aspiration to retain the asset. • Funding will be afforded.
<p>Dependencies – There is a dependency on:</p> <ul style="list-style-type: none"> • Procurement. • Legal. • External consultants will also be required; namely, Structural Engineer and Principal Designer.
<p>Constraints – A constraint is:</p> <ul style="list-style-type: none"> • Internal resource. • The car park will be operational thus works will need to be undertaken in close liaison with the Council’s car parks team.
<p>Opportunities – There is an opportunity to:</p> <ul style="list-style-type: none"> • Repair and stabilise the brick cladding and concrete frame to various sections of the car park as well as remove / repair the brick-built flower beds that are the cause for most of these failures.
<p>Risks – There is a risk that:</p> <p>There are several broad risks associated with the project beyond those normally attributed to construction work:</p> <ul style="list-style-type: none"> • The failed brick cladding and RC concrete frame may deteriorate further, despite the temporary repairs undertaken. • The failed brick cladding and RC frame is considered a dangerous structure and notice served as such under the Building Act. • As advised above, this issue is a health and safety concern and whilst repairs have been undertaken to mitigate the risk, a permanent, long-term solution is required.

Mandate Proposal - Crematorium Broadwater Cottage – Roof Replacement and Structural Repairs
Author: Scott Jagdeo
1. Introduction and background:
Broadwater Cottage is a Grade II listed property located on New Pond Road, list entry number 1029435. The property is used for staff accommodation for the Council’s Bereavement Services Lead, located adjacent to the Council owned Crematorium. The cottage underwent substantial refurbishment works over recent years, during which structural issues with the roof became apparent. Repairs were undertaken at the time to mitigate these issues, but the Council were advised by independent Structural Engineers that larger scale structural repairs were required. The Council has been advised that the roof finish requires removing, structural repairs undertaken, and the property re-roofed. Due to the listed nature of the property and that it is also known bat roost, there are restrictions.
2. Why should a project be started, or a growth bid be considered now?
The project is required since the Council has been advised by independent Structural Engineers that essential structural repairs are required to the asset. Due to the age of the building, it is susceptible to further degradation and deterioration.
3. What is the good idea or problem to be solved?
The structural issues currently present at Broadwater Cottage need to be fixed to prevent further deterioration of the building and preserve the listed asset’s future.
4. What will be delivered? What are the success criteria? What is the purpose of the project?
The purpose of the project is to undertake essential repair works to the cottage to ensure this is structurally sound, further deterioration prevented, and to preserve the future of the listed asset. The property will need to remain unoccupied during the works.
The success criteria will be to deliver the project on time, within budget, and to the requisite quality. Compliance with listed building consent, license from Natural England, and building control consent are also essential.
5. What is in scope and what is out of scope?
In scope is scaffold access, stripping the roof tiles, battens, felt, undertaking structural repairs, and re-roofing. This will require a license with Natural England due to the bat roost, listed building consent, and likely building control consent.
No other works to the property or its curtilage are proposed.
6. What priority, corporate objective or strategy is fulfilled by this project?
The proposed work does not specifically address a corporate objective or strategy. It does, however, look to resolve the structural issues at one of the Council’s owned assets.
7. List desired benefits (Non-financial):
Protection of a Council owned grade II listed asset of special architectural and historic interest.
8. IT Project Requirements (Ensure you consider links to Business World and Salesforce):
N/A.
9. What are the strategic options available to GBC to deliver a solution?
As a project designed to repair and maintain an existing asset, there are few alternatives to affecting an approved repair in the manner described. Whilst the option of doing nothing always exists, in this case structural issues have been highlighted by an external Structural Engineer, and repairs are deemed essential. Not undertaking these works will lead to further deterioration of the asset, increased cost, and the property will need to remain vacant. It should be noted that deterioration will be of a grade II listed property of special architectural and historic significance, which leaves the possible risk of notification by Natural England obliging the Council, as landowner, to undertake the works.
10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service:

<p>The work will be managed and undertaken by a building surveyor of the Asset Management team. As such, the relevant leads for that team are as follows:</p> <ul style="list-style-type: none"> • Dawn Hudd – Joint Strategic Director – Place • Marieke van der Reijden – Executive Head for Assets and Property • Cllr Richard Lucas - Lead Member for Assets and Finance 																
<p>11. What impact assessments have been undertaken? What are the impacts on other Services or projects?</p>																
<p>No impact assessments have been undertaken. The services that will be involved in delivery of the project are Procurement, Legal, and Assets and Property, Building Control, and Planning Services (listed building consent application).</p>																
<p>12. What general approach will be taken to deliver?</p>																
<p>The project will largely be delivered in house by a building surveyor within the Assets and Property team. A Structural Engineer will be required and appointed externally. An ecologist will be required and appointed externally. A Principal Designer will be required to comply with the CDM Regulations 2015; an external consultant will be appointed for this role.</p>																
<p>13. When and why must the work/project start?</p>																
<p>The works are proposed to commence in 2025/2026. Due to the listed nature of the property, and more importantly, that it is a known bat roosts, timings will be critical and will be agreed with Planning’s Conservation Officer and Natural England in advance. This work is proposed to commence during 2024/2025.</p>																
<p>13a. What does Waverley/Guildford currently do to provide this service?</p>																
<p>N/A</p>																
<p>13b. What discussion has been had with Waverley/Guildford about this mandate?</p>																
<p>N/A</p>																
<p>13c. What opportunities are there for savings through the collaboration?</p>																
<p>N/A</p>																
<p>14. What stakeholders will need to be involved?</p>																
<p>Assets and Property will coordinate the works with the Bereavement Services Lead who resides at the property, and to ensure works do not impact on the adjacent Crematorium. Marieke van der Reijden will be kept abreast of the project.</p>																
<p>15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?</p>																
<p>The work will be managed by a building surveyor in the Assets and Property team. Input will be required from Procurement to assist with tendering for the work and from Legal for putting the necessary contracts in place. The input of an independent structural engineer will be required in connection with the design of the structural repairs. An ecologist will be appointed as the cottage is a known bat roost. Finally, an external CDM coordinator will be required to oversee compliance with the Construction (Design and Management) Regulations 2015.</p>																
<p>16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.</p>																
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17. For projects, what are the potential resource costs to progress to the next stage/gate?				
Subject to financial approval, the next stage of this project is to design and specify the repair works and seek the necessary approval to proceed. This will require the input of external consultants together with officer time to manage the process. The cost of this exercise is estimated to be in the region of £15K. These costs are included in the above.				
18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks:				
Issue – There is an issue that:				
<ul style="list-style-type: none"> • There is an issue that the Assets and Property service currently does not have a senior building surveyor in post. This could lead to delays in procuring the external consultants to be appointed until later in 2024/2025. 				
Assumptions – There is an assumption that:				
<ul style="list-style-type: none"> • The Council has an aspiration to retain the asset. • Listed Building Consent will be granted. • Natural England will grant a license for the works. • Funding will be afforded. 				
Dependencies – There is a dependency on:				
<ul style="list-style-type: none"> • Procurement. • Legal. • The Building Surveying team of Assets and Property. • External consultants namely, Structural Engineer, Ecologist, and Principal Designer. 				
Constraints – A constraint is:				
<ul style="list-style-type: none"> • Internal resource. • Due to the listed nature of the property and that it is a known bat roost, all works, and the timings of such works will need to be agreed with the appointed Conservation Officer and Natural England. 				
Opportunities – There is an opportunity to:				
<ul style="list-style-type: none"> • Repair and secure the future longevity of the asset. • Reinststate the asset as staff accommodation on completion of the works. 				
Risks – There is a risk that:				
There are several broad risks associated with the project beyond those normally attributed to construction work:				
<ul style="list-style-type: none"> • The failed structure may deteriorate to the point that it becomes unsafe and costs to repair increase. • It is difficult to determine the exact extent of the work until the roof finish is stripped. This is mitigated by provisional sums and contingency allowances in this proposal. • Due to the listed nature of the property and that it is a known bat roost, the works and the timings are heavily influenced by the appointed Conservation Officer and Natural England. 				

Mandate Proposal - Leapale Rd MSCP – Brick Cladding Repair	
Author: Scott Jagdeo	
1. Introduction and background:	
<p>Leapale Road Multi Storey Car Park is one of five owned and operated in Guildford by the Council. There are structural issues with the brick clad wall at a high level on one corner of the car park. Sections of the brick cladding are loose and required immediate attention to repair.</p> <p>Investigations show that sections of the brick cladding and surrounding reinforced (RC) concrete frame are structurally unsound. Works are required to provide scaffold access and undertake repairs to the brick cladding.</p>	
2. Why should a project be started, or a growth bid be considered now?	
<p>The project is required since initial investigations identified failings in the brick cladding on Level 12 of the car park, which consequently has insufficient lateral restraint at a high level and to the corners rendering one corner exposed to movement. Temporary works have been put in place to make safe and mitigate any risk. Part of the car park is currently cordoned off. Until repair works are undertaken, part of this car park, will remain out of use. Whilst temporary works have been undertaken to make the area safe, a permanent repair is required.</p>	
3. What is the good idea or problem to be solved?	
<p>Repair and stabilise the brick cladding to Level 12 to re-open this part of the car park and mitigate any ongoing health and safety risks.</p>	
4. What will be delivered? What are the success criteria? What is the purpose of the project?	
<p>The purpose of the project is to repair and stabilise the brick cladding to Level 12 to re-open this part of the car park and mitigate any ongoing health and safety risk.</p> <p>The success criteria will be to deliver the project on time, within budget, and to the requisite quality. As well as ensuring that all health and safety matters are suitably addressed, and this section of the car park can be re-opened for public use.</p>	
5. What is in scope and what is out of scope?	
<p>In scope is scaffold access and rebuilding and repairing the brick cladding to Level 12. No other works to Leapale Rd MSCP or the curtilage of this property or land are proposed.</p>	
6. What priority, corporate objective or strategy is fulfilled by this project?	
<p>The proposed work does not specifically address a corporate objective or strategy. It does, however, look to resolve structural and health & safety issues that are currently mitigated by temporary measures.</p>	
7. List desired benefits (Non-financial):	
<p>Resolution of structural and health and safety issues. Repairs and future preservation of a Council owned asset.</p>	
8. IT Project Requirements (Ensure you consider links to Business World and Salesforce):	
<p>N/A.</p>	
9. What are the strategic options available to GBC to deliver a solution?	
<p>As a project designed to repair high level brick cladding there are few alternatives to affecting an approved repair in the manner described. Whilst the option of doing nothing always exists, in this case structural issues have been highlighted, temporary measures incorporated, and repairs are deemed essential. Not undertaking these works will lead to further deterioration of the brick cladding, increased cost, and the part of the car park will need to remain out of use.</p>	
10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service:	
<p>The work will be managed and undertaken Assets and Property building surveyors. As such, the relevant leads for that team are as follows:</p> <ul style="list-style-type: none"> • Dawn Hudd – Joint Strategic Director – Place • Marieke van der Reijden – Executive Head for Assets and Property 	

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<p>manage the process will be required. The cost of this exercise is estimated to be in the region of £15k-£20k. Costs are included in the above.</p>
<p>18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks</p>
<p>Issue – There is an issue that:</p> <ul style="list-style-type: none"> • There is an issue that the Assets and Property service currently does not have a senior building surveyor in post. This could lead to delays in procuring the external consultants to get going asap.
<p>Assumptions – There is an assumption that:</p> <ul style="list-style-type: none"> • The Council has an aspiration to retain the asset. • Funding will be afforded.
<p>Dependencies – There is a dependency on:</p> <ul style="list-style-type: none"> • Procurement. • Legal. • External consultants will also be required; namely, Structural Engineer and Principal Designer.
<p>Constraints – A constraint is:</p> <ul style="list-style-type: none"> • Internal resource. • The car park will be operational thus works will need to be undertaken in close liaison with the Council’s car parks team.
<p>Opportunities – There is an opportunity to:</p> <ul style="list-style-type: none"> • Repair and stabilise the brick cladding and concrete frame to various sections of the car park as well as remove / repair the brick-built flower beds that are the cause for most of these failures.
<p>Risks – There is a risk that:</p> <p>There are several broad risks associated with the project beyond those normally attributed to construction work:</p> <ul style="list-style-type: none"> • The failed brick cladding and RC concrete frame may deteriorate further, despite the temporary repairs undertaken. • The failed brick cladding and RC frame is considered a dangerous structure and notice served as such under the Building Act. • As advised above, this issue is a health and safety concern and whilst repairs have been undertaken to mitigate the risk, a permanent, long-term solution is required.

Mandate Proposal – Slyfield Enterprise Estate – Repairs and Redevelopment
Author: Charles Wood
1. Introduction and background:
<p>Slyfield Enterprise Estate is a multi-let estate consisting of 25 light industrial letting units. The property was built in the 1980s and is nearing the end of its useful life. The units are popular with tenants and fully occupied/income generating, but the buildings are becoming increasingly tired and failing to meet the needs of modern light industrial occupiers. It is likely this will impact on rental income as tenants seek to relocate elsewhere. At the same time the units are starting to fail minimum energy efficiency standards (MEES) for commercial property in England and Wales, and this will worsen with future milestones that have been set by Central Government to comply with minimum standards. Accordingly, Assets and Property officers are working towards total refurbishment/redevelopment to meet modern requirements and to enhance rental income. This process will require careful planning. We envisage this process will start in the 2025/26 financial year with preliminary work and planning.</p> <p>The cost implications are detailed below: -</p> <p>2024/25 – 0 2025/26 – £50,000 – preliminary costs relating to redevelopment or comprehensive refurbishment 2026/27 – £50,000 - preliminary costs relating to redevelopment or comprehensive refurbishment 2027/28 - £4,000,000 - Redevelopment/complete refurbishment</p>
2. Why should a project be started, or a growth bid be considered now?
<p>The long-term redevelopment proposal will be comprehensive and require considerable resource in advance to secure planning consent, architects’ drawings/specification, creation of Tender documents and then to seek contractors via tender. At the same time Assets and Property will need to work towards achieving vacant possession to enable the works to proceed. The standard lease at the estate is for three years, officers envisage preparing a strategy to achieve this potentially involving a phased development to minimize tenant disruption.</p> <p>The growth bid should therefore be considered now to allow time for officers to bring detailed proposals together.</p>
3. What is the good idea or problem to be solved?
<p>Due to the nature of this ageing asset, it is not achieving full potential. Current rents are c.£15 per sq ft as compared to our recently completed Middleton Enterprise Park units that are achieving rents in the region of £19-22 per sq ft, depending on size.</p> <p>Middleton Enterprise Park development forms a model for what is envisaged at Slyfield Enterprise Estate where the specification is fit for purpose to cater for the needs of modern occupiers with green credentials to include renewable energy generated via roof mounted PV units, electric car chargers, efficient insulation and built to achieve A category EPCs.</p> <p>The existing estate is somewhat ‘tired’ and becoming obsolete at the end of its economic lifespan, which is likely to result in tenants relocating elsewhere coupled with diminishing tenant demand and consequently achievable rent levels and potential voids. Given the current challenges in acquiring new commercial property investments for increased income and following the success of the regeneration of Middleton Enterprise Park through the redevelopment programme, investment into the Council’s existing portfolio will enable officers to secure the best lease terms to protect and grow financial returns and achieve its strategic objectives whilst driving regeneration of the Council’s portfolio.</p>
4. What will be delivered? What are the success criteria? What is the purpose of the project?
<p>This project will replace ageing stock that has reached the end of its useful economic life with modern fit for purpose small industrial units aimed at local enterprises. These small estates are important as they act a</p>

<p>seedbed for small businesses who often move on to larger premises and enhanced job creation. As well as this longer-term aim, the short-term appearance can be improved to make this scheme less of an eyesore and source of regular complaints from the existing tenants. In addition, the work proposed will:</p> <ul style="list-style-type: none"> • Improve the ongoing management and performance of the Asset which is linked to the Asset Investment Strategy 2020. • Ensure the Council is positioned to proactively respond to enquiries from third parties. • Contribute to a dynamic economy and regenerations by improving the quality of the properties for the Council’s tenants. <p>As a result, the success criteria are to:</p> <ul style="list-style-type: none"> • Protect and grow existing income and generate new additional income. • Ensure that our corporate property estate is fit for purpose. • Support the Council’s corporate priorities e.g., create employment opportunities, support business community, and attract new inward investment. • Create new employment opportunities via refurbishment and regeneration of land and buildings.
<p>5. What is in scope and what is out of scope?</p> <p>n/a</p>
<p>6. What priority, corporate objective or strategy is fulfilled by this project?</p> <p>Commercial Property Investment Programme Assets and Property have been tasked to achieve additional rental income of £230K in 23/24, £200K in 24/25, £200K in 25/26 and £200K in 26/27, therefore totalling £830K above the 2022/23 budget, known as the ‘base budget’. The investment of capital monies is required to ensure the corporate property estate, particularly the investment and industrial assets are in a tenantable condition and preferably refurbished to a high specification to allow officers to secure the highest possible rent per square foot and generate the necessary additional income of £830K over the next 4 years.</p> <p>Capital and Investment Strategy The additional rental income will allow officers to contribute to the Council’s Capital and Investment Strategy 2022/23 – 2026/27 and as such help the Council achieve financial excellence and value for money. It will also support the delivery of the Corporate Plan.</p>
<p>7. List desired benefits (Non-financial)</p> <ul style="list-style-type: none"> • Improve the ongoing management and performance of the Asset which is linked to the Asset Investment Strategy 2020. • Ensure the Council is positioned to proactively respond to enquiries from third parties. • Contribute to a dynamic economy by regeneration the estate and improving the quality of the properties for the Council’s tenants. • Ensure our diverse community can work in safety and with dignity. • Ensure that our corporate property estate is fit for purpose. • Provide a platform for Local Enterprise in the form of a ‘seedbed centre’.
<p>8. IT Project Requirements (Ensure you consider links to Business World and Salesforce)</p> <p>n/a</p>
<p>9. What are the strategic options available to GBC to deliver a solution?</p> <ol style="list-style-type: none"> 1. Do nothing – do not invest in our property estate and risk the loss of income. 2. Do minimum – abandon the major works to in favor of basic refurbishment. Officers consider this is simply delaying the problem and will result in a loss of rental income/possible voids going forward. It is unlikely however that MEES thresholds will be met in 2025, 2027 and 2030 without considerable investment. Refurbishment prospects are somewhat limited (e.g. The cladding is single skin and as a minimum needs replacement).

3. Do more – proceed with a comprehensive redevelopment of the Asset as set out.																							
Officers recommend option 3, considered strategically and financially advantageous.																							
10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service																							
Dawn Hudd – Joint Strategic Director – Place Marieke van der Reijden – Executive Head for Assets and Property Cllr Richard Lucas - Lead Member for Assets and Finance																							
11. What impact assessments have been undertaken? What are the impacts on other Services or projects?																							
N/A																							
12. What general approach will be taken to deliver?																							
For the stated capital sums to be made available over a 5-year period.																							
13. When and why must the work/project start?																							
From April 2025 (the start of the 25/26 financial year) so that the Council can protect the continued receipt of rental income from properties which would otherwise become less desirable to tenants.																							
13a. What does Waverley/Guildford currently do to provide this service?																							
n/a																							
13b. What discussion has been had with Waverley/Guildford about this mandate?																							
n/a																							
13c. What opportunities are there for savings through the collaboration?																							
n/a																							
14. What stakeholders will need to be involved?																							
CMB, Finance and Assets and Property including the Building Surveying and Corporate Programmes team.																							
15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?																							
Assets and Property, Finance																							
16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.																							
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2027/28	4,000,000																						
17. For projects, what are the potential resource costs to progress to the next stage/gate?																							
N/A																							
18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks																							
Issue – There is an issue that the Asset is reaching the end of its useful life/is no longer fit for purpose.																							
Assumptions – There is an assumption that redevelopment cost will be an enhanced floor area of 20,000 sq ft at £200 per sq ft based on previous market evidence.																							
Dependencies – There is a dependency on successfully achieving vacant possession of the units on a phased basis to allow the reworks to take place.																							

Constraints – Planning consent will be required. Tenants will have to be relocated at least temporarily.
Opportunities – There is an opportunity to replace ageing stock and regenerate the estate with modern fit for purpose units and enhance the floor area along with rental income.
Risks – There is a risk that costs will escalate and/or the occupational market will diminish.

Mandate Proposal – Slyfield Foundation Units – Repairs and Redevelopment
Author: Charles Wood
1. Introduction and background:
<p>Slyfield Foundation Units comprise a multi-let estate consisting of 12 light industrial letting units. The property was built in the 1980s and is nearing the end of its useful life. The units are popular with tenants and fully occupied/income generating, but the buildings are becoming increasingly tired and failing to meet the needs of modern light industrial occupiers. It is likely this will impact on rental income as tenants seek to relocate elsewhere. At the same time the units are starting to fail minimum energy efficiency standards (MEES) for commercial property in England and Wales, and this will worsen with future milestones that have been set by Central Government to comply with minimum standards. Accordingly, Assets and Property officers are working towards total refurbishment/redevelopment to meet modern requirements and to enhance rental income. This process will require careful planning. We envisage this process will start in the 2025/26 financial year with preliminary work and planning.</p> <p>The cost implications are detailed below: -</p> <p>2024/25 – 0 2025/26 – £25,000 – preliminary costs relating to redevelopment or comprehensive refurbishment 2026/27 – £25,000 - preliminary costs relating to redevelopment or comprehensive refurbishment 2027/28 - £2,000,000 - Redevelopment/complete refurbishment</p>
2. Why should a project be started, or a growth bid be considered now?
<p>The long-term redevelopment proposal will be comprehensive and require considerable resource in advance to secure planning consent, architects’ drawings/specification, creation of Tender documents and then to seek contractors via tender. At the same time Assets and Property will need to work towards achieving vacant possession to enable the works to proceed. The standard lease at the estate is for three years, officers envisage preparing a strategy to achieve this potentially involving a phased development to minimize tenant disruption.</p> <p>The growth bid should therefore be considered now to allow time for officers to bring detailed proposals together.</p>
3. What is the good idea or problem to be solved?
<p>Due to the nature of this ageing asset, it is not achieving full potential. Current rents are c.£13 per sq ft as compared to our recently completed Midleton Enterprise Park units that are achieving rents in the region of £19-22 per sq ft, depending on size.</p> <p>Officers envisage a continuation of motor trade use here – there are very few locations left in the Borough where motor trade use is permitted, and this estate allows small businesses to establish in a ‘seedbed’ environment.</p> <p>Midleton Enterprise Park development forms a model for what is envisaged at Slyfield Foundation Units where the specification is fit for purpose to cater for the needs of modern occupiers with green credentials to include renewable energy generated via roof mounted PV units, electric car chargers, efficient insulation and built to achieve A category EPCs.</p> <p>The existing estate is somewhat ‘tired’ and becoming obsolete at the end of its economic lifespan, which is likely to result in tenants relocating elsewhere coupled with diminishing tenant demand and consequently achievable rent levels and potential voids. Given the current challenges in acquiring new commercial property investments for increased income and following the success of the regeneration of Midleton Enterprise Park through the redevelopment programme, investment into the Council’s existing portfolio will</p>

enable officers to secure the best lease terms to protect and grow financial returns and achieve its strategic objectives whilst driving regeneration of the Council’s portfolio.
4. What will be delivered? What are the success criteria? What is the purpose of the project?
<p>This project will replace ageing stock that has reached the end of its useful economic life with modern fit for purpose small industrial units aimed at local enterprises. These small estates are important as they act a seedbed for small businesses who often move on to larger premises and enhanced job creation. As well as this longer-term aim, the short-term appearance can be improved to make this scheme less of an eyesore and source of regular complaints from the existing tenants. In addition, the work proposed will:</p> <ul style="list-style-type: none"> • Improve the ongoing management and performance of the Asset which is linked to the Asset Investment Strategy 2020. • Ensure the Council is positioned to proactively respond to enquiries from third parties. • Contribute to a dynamic economy and regenerations by improving the quality of the properties for <p>As a result, the success criteria are to:</p> <ul style="list-style-type: none"> • Protect and grow existing income and generate new additional income. • Ensure that our corporate property estate is fit for purpose. • Support the Council’s corporate priorities e.g., create employment opportunities, support business community, and attract new inward investment. • Create new employment opportunities via refurbishment and regeneration of land and buildings.
5. What is in scope and what is out of scope?
n/a
What priority, corporate objective or strategy is fulfilled by this project?
<p>Commercial Property Investment Programme Assets and Property have been tasked to achieve additional rental income of £230K in 23/24, £200K in 24/25, £200K in 25/26 and £200K in 26/27, therefore totalling £830K above the 2022/23 budget, known as the ‘base budget’. The investment of capital monies is required to ensure the corporate property estate, particularly the investment and industrial assets are in a tenatable condition and preferably refurbished to a high specification to allow officers to secure the highest possible rent per square foot and generate the necessary additional income of £830K over the next 4 years.</p> <p>Capital and Investment Strategy The additional rental income will allow officers to contribute to the Council’s Capital and Investment Strategy 2022/23 – 2026/27 and as such help the Council achieve financial excellence and value for money. It will also support the delivery of the Corporate Plan.</p>
6. List desired benefits (Non-financial)
<ul style="list-style-type: none"> • Improve the ongoing management and performance of the Asset which is linked to the Asset Investment Strategy 2020. • Ensure the Council is positioned to proactively respond to enquiries from third parties. • Contribute to a dynamic economy by regeneration the estate and improving the quality of the properties for the Council’s tenants. • Ensure our diverse community can work in safety and with dignity. • Ensure that our corporate property estate is fit for purpose. • Provide a platform for Local Enterprise in the form of a ‘seedbed centre’.
7. IT Project Requirements (Ensure you consider links to Business World and Salesforce)
n/a
8. What are the strategic options available to GBC to deliver a solution?

1. **Do nothing** – do not invest in our property estate and risk the loss of income.
2. **Do minimum** – abandon the major works to in favor of basic refurbishment. Officers consider this is simply delaying the problem and will result in a loss of rental income/possible voids going forward. It is unlikely however that MEEs thresholds will be met in 2025, 2027 and 2030 without considerable investment. Refurbishment prospects are somewhat limited (e.g. The cladding is single skin and as a minimum needs replacement).
3. **Do more** – proceed with a comprehensive redevelopment of the Asset as set out.

Officers recommend option 3, considered strategically and financially advantageous.

9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service

Dawn Hudd – Joint Strategic Director – Place
 Marieke van der Reijden – Executive Head for Assets and Property
 Cllr Richard Lucas - Lead Member for Assets and Finance

10. What impact assessments have been undertaken? What are the impacts on other Services or projects?

N/A

11. What general approach will be taken to deliver?

For the stated capital sums to be made available over a 5-year period.

12. When and why must the work/project start?

From April 2025 (the start of the 25/26 financial year) so that the Council can protect the continued receipt of rental income from properties which would otherwise become less desirable to tenants.

- 13a. What does Waverley/Guildford currently do to provide this service?

n/a

- 13b. What discussion has been had with Waverley/Guildford about this mandate?

n/a

- 13c. What opportunities are there for savings through the collaboration?

n/a

13. What stakeholders will need to be involved?

CMB, Finance and Assets and Property including the Building Surveying and Corporate Programmes team.

14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?

Assets and Property, Finance

15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.

Year	Capital Total (£)	Revenue Total (£)	Income Total (£)
2024/25	0		
2025/26	£25,000		
2026/27	£25,000		
2027/28	£2,000,000		

16. For projects, what are the potential resource costs to progress to the next stage/gate?

N/A

17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks

Issue – There is an issue that the Asset is reaching the end of its useful life/is no longer fit for purpose.
Assumptions – There is an assumption that redevelopment cost will be an enhanced floor area of 10,000-12,000 sq ft at £200 per sq ft based on previous market evidence.
Dependencies – There is a dependency on successfully achieving vacant possession of the units on a phased basis to allow the reworks to take place.
Constraints – Planning consent will be required. Tenants will have to be relocated at least temporarily.
Opportunities – There is an opportunity to replace ageing stock with modern fit for purpose units and enhance the floor area along with rental income.
Risks – There is a risk that costs will escalate and/or the occupational market will diminish.

Mandate Proposal – Stoke Park Gardeners Cottage – Roof Replacement
Author: Scott Jagdeo
1. Introduction and background:
Stoke Park Gardeners Cottage is a detached dwelling house located in Stoke Park, Guildford. The cottage is used for staff accommodation and is currently occupied. The cottage has undergone a series of planned and reactive roofing repairs over the last few years; however, the roof has come to the end of its useful life expectancy and replacement is required.
2. Why should a project be started, or a growth bid be considered now?
The project is required since the roof has come to the end of its useful life expectancy and maintenance and repair is no longer feasible.
3. What is the good idea or problem to be solved?
To replace the roof that has come to the end of its natural lifecycle and will ensure preservation of the asset's future.
4. What will be delivered? What are the success criteria? What is the purpose of the project?
The purpose of the project is to replace the roof of the cottage to ensure this is wind and watertight, further deterioration prevented, and to preserve the future of the asset. The success criteria will be to deliver the project on time, within budget, and to the requisite quality. Compliance with building control consent is also essential.
5. What is in scope and what is out of scope?
In scope is scaffold access, stripping the roof tiles, battens, felt, undertaking any required repairs that are identified, and re-roofing. This will require building control consent. No other works to the property or its curtilage are proposed.
6. What priority, corporate objective or strategy is fulfilled by this project?
The proposed work does not specifically address a corporate objective or strategy. It does, however, look to resolve the failed roof at one of the Council's owned assets.
7. List desired benefits (Non-financial):
Protection of a Council owned asset.
8. IT Project Requirements (Ensure you consider links to Business World and Salesforce):
N/A
9. What are the strategic options available to GBC to deliver a solution?
As a project designed to repair and maintain an existing asset, there are few alternatives to affecting an approved repair in the manner described. Whilst the option of doing nothing always exists, in this case the roof has failed, is beyond its reasonable life expectancy, and replacement is deemed essential. Not undertaking these works will lead to further deterioration of the asset and increased cost. Moreover, the property may become uninhabitable.
10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service:
The work will be managed and undertaken by a building surveyor of the Asset Management team. As such, the relevant leads for that team are as follows: <ul style="list-style-type: none"> • Dawn Hudd – Joint Strategic Director – Place • Marieke van der Reijden – Executive Head for Assets and Property • Cllr Richard Lucas - Lead Member for Assets and Finance
11. What impact assessments have been undertaken? What are the impacts on other Services or projects?
No impact assessments have been undertaken. The services that will be involved in delivery of the project are Procurement, Legal, and Assets and Property, and Building Control.

12. What general approach will be taken to deliver?																											
The project will largely be delivered in house by a building surveyor within the Assets and Property team. A Principal Designer will be required to comply with the CDM Regulations 2015; an external consultant will be appointed for this role.																											
13. When and why must the work/project start?																											
This works are proposed to commence during 2024/2025.																											
13a. What does Waverley/Guildford currently do to provide this service?																											
N/A																											
13b. What discussion has been had with Waverley/Guildford about this mandate?																											
N/A																											
13c. What opportunities are there for savings through the collaboration?																											
N/A																											
14. What stakeholders will need to be involved?																											
Assets and Property will coordinate the works with the resident of the property as well as the Parks and Countryside team to ensure works do not impact on the adjacent park and occupation of the property too greatly. Marieke van der Reijden will be kept abreast of the project.																											
15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?																											
The work will be managed by a building surveyor in the Assets and Property team. Input will be required from Procurement to assist with tendering for the work and from Legal for putting the necessary contracts in place. An external CDM coordinator will be required to oversee compliance with the Construction (Design and Management) Regulations 2015.																											
16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.																											
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2023/24																											
2024/25	£100,000.00																										
2025/26																											
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2027/28																											
17. For projects, what are the potential resource costs to progress to the next stage/gate?																											
Subject to financial approval, the next stage of this project is to design the repair and replacement roof works and seek the necessary approval to proceed. This will require the input of external consultants together with officer time to manage the process. The cost of this exercise is estimated to be in the region of £10k. These costs are included in the above.																											
18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks																											
Issue – There is an issue that: There is an issue that the Assets and Property service currently does not have a senior building surveyor in post. This could lead to delays in procuring the external consultants to get going asap.																											
Assumptions – There is an assumption that: <ul style="list-style-type: none"> The Council has an aspiration to retain the asset. 																											

<ul style="list-style-type: none">• Funding will be afforded.
Dependencies – There is a dependency on: <ul style="list-style-type: none">• Procurement.• Legal.• The Building Surveying team of Assets and Property.• External consultants namely, Principal Designer.
Constraints – A constraint is: <ul style="list-style-type: none">• Internal resource.• The property is occupied and thus works will need to be undertaken in close liaison with the resident.
Opportunities – There is an opportunity to: <ul style="list-style-type: none">• Repair and secure the future longevity of the asset.• Retain the asset as staff accommodation on completion of the works.
Risks – There is a risk that: There are several broad risks associated with the project beyond those normally attributed to construction work: <ul style="list-style-type: none">• The failed roof may deteriorate further and costs to repair increase.• It is difficult to determine the exact extent of the work until the roof finish is stripped. This is mitigated by provisional sums and contingency allowances in this proposal.

Mandate Proposal - The Billings - Roof Replacement	
Author: Scott Jagdeo	
1. Introduction and background:	
The Billings is a detached brick built former printing works constructed in 1856 converted into office units and one warehouse unit. The Billings is located along Walnut Tree Close, with Guildford Train Station located to the West and the River Wey to the East. The property forms part of the Council’s investment portfolio and is currently let on various leases. All slate roofs have come to the end of their useful life expectancy and thus require replacement. The roof to Unit 4 was replaced last year. This bid covers the replacement of roofs to Units 1, 2 and 3.	
2. Why should a project be started, or a growth bid be considered now?	
The project is required since the roofs to Units 1, 2 and 3 have come to the end of their useful life expectancy and maintenance and repair is no longer feasible.	
3. What is the good idea or problem to be solved?	
The proposal is to replace the roofs to Units 1, 2 and 3, which have come to the end of their useful life expectancy. This will ensure preservation of the asset’s future and help to secure existing and future lettings.	
4. What will be delivered? What are the success criteria? What is the purpose of the project?	
The purpose of the project is to replace the slate roof to Units 1, 2 and 3 to ensure the offices remain wind and watertight, further deterioration is prevented, and to preserve the future of the asset.	
The success criteria will be to deliver the project on time, within budget, and to the requisite quality. Compliance with building control consent is also essential.	
5. What is in scope and what is out of scope?	
In scope is scaffold access, stripping the roof slates, battens, felt, undertaking any required repairs that are identified to the roof structure, and re-roofing. This will require building control consent.	
No other works to the property or its curtilage are proposed.	
6. What priority, corporate objective or strategy is fulfilled by this project?	
The proposed work does not specifically address a corporate objective or strategy. It does, however, look to resolve various failed roofs at one of the Council owned investment assets.	
7. List desired benefits (Non-financial):	
Protection / futureproofing of a Council owned investment asset. Reduce further deterioration and hence cost. Easier to market and let; new roofs will come with an insurance backed guarantee. Also more likely that existing tenants will wish to renew their leases. Council maintains exterior of Unit 2 and thus has lease obligations to the existing tenants in this property.	
8. IT Project Requirements (Ensure you consider links to Business World and Salesforce):	
N/A.	
9. What are the strategic options available to GBC to deliver a solution?	
As a project designed to repair and maintain an existing asset, there are few alternatives to affecting an approved repair other than to replace the roof. Whilst the option of doing nothing always exists, in this case the roofs have failed, are beyond their reasonable life expectancy, and thus replacement is deemed essential. This was known and pointed out as a risk when the Council acquired the property. Not undertaking these works will lead to further deterioration of the asset and increased cost. Moreover, the property may become unlettable.	
10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service:	
The work will be managed and undertaken by a building surveyor of the Asset Management team. As such, the relevant leads for that team are as follows: <ul style="list-style-type: none"> • Dawn Hudd – Joint Strategic Director – Place 	

- Marieke van der Reijden – Executive Head for Assets and Property
Cllr Richard Lucas - Lead Member for Assets and Finance

11. What impact assessments have been undertaken? What are the impacts on other Services or projects?

No impact assessments have been undertaken.

The services that will be involved in delivery of the project are Procurement, Legal, Assets and Property and Building Control. Whilst it is not envisaged that external consultants will be required, apart for the Principal Designer role, this is subject to officer availability.

12. What general approach will be taken to deliver?

The project will largely be delivered in house by a building surveyor within the Assets and Property team. A Principal Designer will be required to comply with the CDM Regulations 2015; an external consultant will be appointed for this role.

Due to value, works will go through a competitive tender process, which will likely be evaluated on a cost and quality basis. Tenders will be dealt with via the Council’s online In-Tend portal. Alternatively, existing frameworks may be sought to expedite matters, but this would have to be agreed with the Council’s Procurement and Legal teams.

13. When and why must the work/project start?

The works are proposed to commence on Unit 2 in 2025/2026, followed by Unit 1 in 2026/2027, and then Unit 3 in 2027/2028. The roof to Unit 4 has already been replaced, and works were undertaken last year.

13a. What does Waverley/Guildford currently do to provide this service?

N/A.

13b. What discussion has been had with Waverley/Guildford about this mandate?

N/A.

13c. What opportunities are there for savings through the collaboration?

N/A.

14. What stakeholders will need to be involved?

Assets and Property will coordinate the works with the occupying tenants, where applicable, as well as the Council’s Asset Management team to ensure works do not impact on the occupation of the property too greatly. Marieke van der Reijden will be kept abreast of the project.

15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?

The work will be managed by a building surveyor in the Assets and Property team.

Input will be required from Procurement to assist with tendering for the work and from Legal for putting the necessary contracts in place.

Externally, we will require the input of a Principal Designer / CDM advisor to oversee compliance with the Construction (Design and Management) Regulations 2015.

16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.

Year	Capital Total (£)	Revenue Total (£)	Income Total (£)
2023/24			
2024/25			
2025/26	£200,000.00		
2026/27	£200,000.00		

2027/28	£200,000.00			
17. For projects, what are the potential resource costs to progress to the next stage/gate?				
<p>Subject to financial approval, the next stage of this project is to design the repair and replacement roof works and seek the necessary approval to proceed. The Council will require the input of external consultants (Principal Designer / CDM Advisor) together with officer time to manage the process.</p> <p>The cost of this exercise is estimated to be in the region of £100,000 per roof. Costs are included in the above.</p>				
18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks				
<p>Issue – There is an issue that:</p> <ul style="list-style-type: none"> • There is an issue that the Assets and Property service currently does not have a senior building surveyor in post. As such, the Council may not have the internal resource to manage this project. 				
<p>Assumptions – There is an assumption that:</p> <ul style="list-style-type: none"> • The Council has an aspiration to retain the asset. If divesting of the asset, then proposed works will likely be withdrawn. • Funding will be afforded. 				
<p>Dependencies – There is a dependency on:</p> <ul style="list-style-type: none"> • Procurement – tendering. • Legal – contracts. • The Assets and Property Building Surveying Team– project management, contract administrator etc. • External consultants will also be required; namely, Principal Designer / CDM Advisor. 				
<p>Constraints – A constraint is:</p> <ul style="list-style-type: none"> • Internal resource. • The properties are let / part let and thus works will need to be undertaken in close liaison with the current tenants. • Access is a constraint for this site generally, and scaffold licenses and possibly lane closures along Walnut Tree Close will be required. 				
<p>Opportunities – There is an opportunity to:</p> <ul style="list-style-type: none"> • Repair and secure the future longevity of the asset. • Retain the asset as an investment asset on completion of the works. 				
<p>Risks – There is a risk that:</p> <p>There are several broad risks associated with the project beyond those normally attributed to construction work:</p> <ul style="list-style-type: none"> • The failed roof may deteriorate further and costs to repair increase. • It is difficult to determine the exact extent of the work until the roof finish is stripped. This is mitigated by provisional sums and contingency allowances in this proposal. • Access is a particular constraint here and works can only be undertaken subject to scaffold licenses and possibly a lane closure along Walnut Tree Close. It is assumed that such licenses / permissions will be forthcoming in a reasonable timeframe. 				

Mandate Proposal – Sydenham Rd Car Park – Party Wall Works
Author: Scott Jagdeo
1. Introduction and background:
Sydenham Road Car Park is an open-air car park owned by the Council and is currently used by private permit holders for town centre parking. Adjacent to the car park is 12 Trinity Churchyard. The owner of 12 Trinity Churchyard has raised two issues with the Council in relation to the repair and replacement of a party wall and damage to the gable wall of number 12 because of the adjacent Council owned car park.
2. Why should a project be started, or a growth bid be considered now?
The project is required since initial investigation has shown that the failing brick wall is likely to be a party wall issue and so jointly owned by the Council and the owner of 12 Trinity Cottage. As such, the Council is likely to be responsible for an apportionment of the costs for rebuilding / repairing the wall. Moreover, the raising of levels to form the Council owned car park has potentially led to structural and damp issues to the gable wall of 12 Trinity Cottage. The owner of 12 Trinity Cottage has appointed a local firm of Surveyors and Engineers and has contacted the Council regarding the above matters.
3. What is the good idea or problem to be solved?
Repair and replace a party wall jointly owned by the Council and the owner of 12 Trinity Cottage and repair the failing gable wall to 12 Trinity Cottage; failure is potentially attributable to the raising of levels to the ground on which the Council owned car park sits.
4. What will be delivered? What are the success criteria? What is the purpose of the project?
The purpose of the project is to repair / replace a party wall jointly owned between the Council and the owner of 12 Trinity Cottage as well as repair the failing gable wall to 12 Trinity Cottage; failure potentially attributable to the Council – see above.
The success criteria will be to deliver the project on time, within budget, and to the requisite quality. As well as ensuring that all potential liabilities to the owner of 12 Trinity Cottage are settled.
5. What is in scope and what is out of scope?
In scope is rebuilding / repairing the party wall in tandem with the owner of 12 Trinity Cottage as well as repairing the failing gable wall to 12 Trinity Cottage.
No other works to 12 Trinity Cottage, Sydenham Road Car Park, or the curtilage of either property or land are proposed.
6. What priority, corporate objective or strategy is fulfilled by this project?
The proposed work does not specifically address a corporate objective or strategy. It does, however, look to resolve the Council's potential liabilities to the owner of 12 Trinity Cottage with regards to a party wall and failing gable wall.
7. List desired benefits (Non-financial):
Resolution of any liabilities to the owner of 12 Trinity Cottage. Repairing and unsafe wall that is jointly owned by the Council.
8. IT Project Requirements (Ensure you consider links to Business World and Salesforce):
N/A.
9. What are the strategic options available to GBC to deliver a solution?
As a project designed to repair / replace a party wall, and repair a gable wall, there are few alternatives to affecting an approved repair in the manner described. Whilst the option of doing nothing always exists, in this case the owner of 12 Trinity Cottage has appointed a local firm of Structural Engineers and Building Surveyors and has approached the Council for party wall discussions. Initial investigation shows that the failing wall is likely to be either a party wall or jointly owned (this is currently being checked by the Council's Legal team) and the damage to the gable wall of 12 Trinity Cottage, is likely to be in part caused by the raising of the adjacent land to on which the Council owned car park sits. Thus, the Council looks to be partly liable for both items.
10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service:

<p>The work will be managed and undertaken by a building surveyor of the Asset Management team. As such, the relevant leads for that team are as follows:</p> <ul style="list-style-type: none"> • Dawn Hudd – Joint Strategic Director – Place • Marieke van der Reijden – Executive Head for Assets and Property • Cllr Richard Lucas - Lead Member for Assets and Finance 																
<p>11. What impact assessments have been undertaken? What are the impacts on other Services or projects?</p>																
<p>No impact assessments have been undertaken.</p> <p>The services that will be involved in delivery of the project are Procurement, Legal, and Assets and Property. However, if the owner of 12 Trinity Cottage decides to pursue matters under the relevant legislation, then it may simply be that the Council needs only pay damages, in which case, only Assets and Property and Legal teams will be required.</p>																
<p>12. What general approach will be taken to deliver?</p>																
<p>The project will largely be delivered in house by a building surveyor within the Assets and Property team. However, as above, if the owner of 12 Trinity Cottage decides to pursue matters under the relevant legislation, then it may simply be that the Council needs only pay damages. A building surveyor in the Assets and Property team will be required to undertake any party wall negotiations as well as oversee any repairs that are being part funded by the council.</p>																
<p>13. When and why must the work/project start?</p>																
<p>The works are proposed to commence in 2024/2025. As advised, the owner of 12 Trinity Cottage has already appointed a firm of Structural Engineers and Surveyors and is already in contact with the Council on both issues.</p>																
<p>13a. What does Waverley/Guildford currently do to provide this service?</p>																
<p>N/A.</p>																
<p>13b. What discussion has been had with Waverley/Guildford about this mandate?</p>																
<p>N/A.</p>																
<p>13c. What opportunities are there for savings through the collaboration?</p>																
<p>N/A.</p>																
<p>14. What stakeholders will need to be involved?</p>																
<p>Assets and Property will coordinate the works with the current owner of 12 Trinity Cottage and the Council’s car park team. Marieke van der Reijden will be kept abreast of the project.</p>																
<p>15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?</p>																
<p>The work will be managed by a building surveyor in the Assets and Property team. Input will be required from Procurement to assist with tendering for the work and from Legal for putting the necessary contracts in place. As advised above, if the owner of 12 Trinity Cottage decides to pursue matters under the relevant legislation, then it may simply be that the Council needs only pay damages – this is the preferred approach. In this case a building surveyor will still be required to negotiate any party wall requirements as well as monitor works that are in part being funded by the Council.</p>																
<p>16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.</p>																
<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="text-align: left;">Year</th> <th>Capital Total (£)</th> <th>Revenue Total (£)</th> <th>Income Total (£)</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">2023/24</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: left;">2024/25</td> <td>£50,000.00</td> <td></td> <td></td> </tr> <tr> <td style="text-align: left;">2025/26</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Year	Capital Total (£)	Revenue Total (£)	Income Total (£)	2023/24				2024/25	£50,000.00			2025/26			
Year	Capital Total (£)	Revenue Total (£)	Income Total (£)													
2023/24																
2024/25	£50,000.00															
2025/26																

2026/27				
2027/28				
17. For projects, what are the potential resource costs to progress to the next stage/gate?				
Subject to financial approval, the next stage of this project is to design the repair and replacement of the party wall and gable wall and seek the necessary approval to proceed. However, as above, if the owner of 12 Trinity Cottage decides to pursue matters under the relevant legislation, then it may simply be that the Council needs only pay damages – this is the preferred approach. In this case a building surveyor will still be required to negotiate any party wall requirements as well as monitor works that are in part being funded by the Council.				
18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks				
Issue – There is an issue that:				
<ul style="list-style-type: none"> There is an issue that the Assets and Property service currently does not have a senior building surveyor in post. This could lead to delays in procuring the external consultants to get going asap. 				
Assumptions – There is an assumption that:				
<ul style="list-style-type: none"> The Council has an aspiration to retain the open-air car park. If the Council were able to sell the parcel of land, then the issue would cease to exist for it. Funding will be afforded. 				
Dependencies – There is a dependency on:				
<ul style="list-style-type: none"> Procurement (possibly). Legal. The Building Surveying team in Assets and Property. 				
Constraints – A constraint is:				
<ul style="list-style-type: none"> Internal resource. 12 Trinity Cottage is occupied and thus works will need to be undertaken in close liaison with the current occupier alongside the Council’s car parks team. 				
Opportunities – There is an opportunity to:				
<ul style="list-style-type: none"> Repair and stabilise the party wall and gable wall to 12 Trinity Cottage and avoid any legal claims in relation to either of these. 				
Risks – There is a risk that:				
There are several broad risks associated with the project beyond those normally attributed to construction work:				
<ul style="list-style-type: none"> The failed party wall and gable wall may deteriorate further and costs to repair and replace increase. The party wall and/or gable wall are considered a dangerous structure and notice served as such under the Building Act. The owner pursues the Council under the relevant legislation before the Council has secured funding. 				

Mandate Proposal – Investigation and Works to Underground Shelter	
Author: Marieke van der Reijden	
1. Introduction and background:	
An area of open space in Guildford requires investigation of what is believed to be an underground shelter dug during WW2. Further investigation is required to open the area of ground and make safe.	
2. Why should a project be started, or a growth bid be considered now?	
To investigate the full extents of the structure and understand its condition with the possibility of filling the structure to avoid the risk of collapse and the potential danger to the public.	
3. What is the good idea or problem to be solved?	
To investigate the full extents of the structure and understand its condition with the possibility of filling the structure to avoid the risk of collapse and the potential danger to the public.	
4. What will be delivered? What are the success criteria? What is the purpose of the project?	
The capital bid will provide funds to pay for the works under the Council’s Civil Engineering Contract at the direction of GBC Engineers.	
5. What is in scope and what is out of scope?	
To investigate the full extents of the structure and understand its condition with the possibility of filling the structure to avoid the risk of collapse and the potential danger to the public and return the area to good order.	
What priority, corporate objective or strategy is fulfilled by this project?	
The proposed work does not specifically fulfil a corporate objective or strategy. It does, however, resolve a potential health and safety concern.	
6. List desired benefits (Non-financial)	
Remove the potential danger to the public and return the area to good order.	
7. IT Project Requirements (Ensure you consider links to Business World and Salesforce)	
N/A	
8. What are the strategic options available to GBC to deliver a solution?	
<ol style="list-style-type: none"> 1. Do nothing –Risk of deterioration and collapse that would result from that decision. 2. Do minimum – only undertake the initial investigation to understand the full extent of the structure. 3. Do more – act proactively and undertake the necessary investigation being prepared for the likelihood that the structure is more extensive. Officers recommend option 3, considered reputationally advantageous.	
9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service	
Dawn Hudd – Joint Strategic Director – Place Marieke van der Reijden – Executive Head of Service for Assets & Property Cllr Richard Lucas – Lead Member for Assets and Property	
10. What impact assessments have been undertaken? What are the impacts on other Services or projects?	
None. This may require the Council to liaise the Surrey Archaeology	
11. What general approach will be taken to deliver?	
The project will be managed inhouse via the Council’s Civil Engineering Contract.	
12. When and why must the work/project start?	
ASAP but could be delayed to 24/25	
13a. What does Waverley/Guildford currently do to provide this service?	
N/A	
13b. What discussion has been had with Waverley/Guildford about this mandate?	
None	
13c. What opportunities are there for savings through the collaboration?	
None	
13. What stakeholders will need to be involved?	

Local ward councillors			
14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?			
The investigatory work will be undertaken by GBC Engineers and Council's Civil Engineering contractor providing the physical works.			
15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.			
Year	Capital Total (£)	Revenue Total (£)	Income Total (£)
2023/24	£5,000 or defer to 24/25		
2024/25	£15,000		
2025/26			
2026/27			
2027/28			
16. For projects, what are the potential resource costs to progress to the next stage/gate?			
Estimate of 20 hours of GBC Engineers time.			
17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks			
Issue – None			
Assumptions – That funding for this work will be made available.			
Dependencies – Involvement of Surrey Archaeology may delay the works.			
Constraints – Involvement of Surrey Archaeology may delay the works.			
Opportunities – Make the area available to the Public.			
Risks – The structure may collapse.			

Mandate Proposal – Guildford Bus Station – Repairs and Resurfacing
<p>Author: Marieke van der Reijden</p>
<p>1. Introduction and background:</p>
<p>The Council is responsible for the concrete surface deck and drainage at Guildford Bus Station, which is located adjacent to and partly above the Friary Centre. The deck surfacing and drainage have failed, which is allowing water ingress through the concrete deck into the basement car park and electrical substation below. During heavy downpours the basement car park and substation flood, causing a health and safety risk as well as making the basement unusable. The car park is used by several companies and the Council is being pursued by the freeholder owner beneath the deck to remedy the issue as a matter of urgency.</p> <p>The North St Development project includes for an upgrade and refurbishment of Guildford Bus Station in around 2-3 years' time. When these works take place, the Council will have an opportunity to undertake long-term infrastructure repair works to the surface of the bus station. These long-term maintenance repairs were known to the Council at the time the bus station land title transferred to Council ownership in 2020 when the risks were highlighted as part of the negotiations and decision to proceed.</p>
<p>2. Why should a project be started, or a growth bid be considered now?</p>
<p>Works have been undertaken over the past 2 years by the Assets and Property team to resolve the immediate issue of water leaking through the bus station concrete deck; this included drainage clearance alongside repairs to the movement joints in the concrete deck undertaken by M&G, the owner of the freeholder interest in land beneath the deck. Unfortunately, whilst these repairs helped mitigate the flooding, the leaks remain an issue and further works are required. These works are required as a matter of urgency.</p> <p>A complete resurfacing of the bus station is also required for long term protection of the deck and column structure underneath.</p>
<p>3. What is the good idea or problem to be solved?</p>
<p>Preliminary investigation and immediate works are required. Assets and Property are applying for £12,000 to be made immediately available to facilitate the appointment of an external consultant(s) to undertake a full survey and provide a report to diagnose the cause(s) of the water ingress and the immediate works required to resolve the matter.</p> <p>The appointed consultant will also be asked to provide cost estimates for the proposed works to facilitate a total resurfacing project.</p> <p>There are currently no arrangements in place to deal with this matter. As the bus station was inherited in this state, there have been no actions undertaken to date that adequately satisfy addressing the issue at hand.</p>
<p>4. What will be delivered? What are the success criteria? What is the purpose of the project?</p>
<p>The capital bid will provide funds to appoint a consultant(s) to produce a report into what the major causes of the disrepair and produce all required documentation to allow the Council to procure a contractor to undertake short term repair works. It is likely the appointed consultant(s) will also be asked to manage the project.</p> <p>Their work will inform the progression of a detailed project to resurface the deck and any remedial actions required to the infrastructure. This will inform the Council of the expected costs, extent of repair work required, any additional consents that might be required, and the timescales involved. This, in turn, will enable the Council to liaise with the North St Developer to synchronise the timings for the long-term surface repair works with when the developer closes the bus station to undertake their refurbishment. The benefit of synchronising the works means only having to close the bus station once and possibility of negotiating a share of the costs attached to temporary relocation of the bus stops and stopping up of the highway.</p>

<p>Key deliverables include:</p> <ul style="list-style-type: none"> • Short term – avoiding disputes or insurance claims for damage to the freeholder’s interest beneath the bus station. • Long term – contribution to the overall desire of the North St project to have a newly refurbished bus station for the benefit of the public using or transferring through the bus station • Safeguarding the Council’s asset by stopping the water ingress damaging the reinforced concrete structure.
<p>5. What is in scope and what is out of scope?</p>
<p>The investigation into the water leaks and damage to the bus station deck and underground car park beneath, paying for short term repairs, and resurfacing for the long term.</p>
<p>What priority, corporate objective or strategy is fulfilled by this project?</p>
<p>The proposed work does not specifically fulfil a corporate objective or strategy. It does, however, resolve a potential health and safety concern. It also contributes to the Homes and Jobs corporate priority including:</p> <ul style="list-style-type: none"> • Revive Guildford town centre to unlock its full potential. • Support high quality development of strategic sites.
<p>6. List desired benefits (Non-financial)</p>
<p>Long term – contribution to the overall desire of the North St project to have a newly refurbished bus station for the benefit of the public using or transferring through the bus station.</p>
<p>7. IT Project Requirements (Ensure you consider links to Business World and Salesforce)</p>
<p>N/A</p>
<p>8. What are the strategic options available to GBC to deliver a solution?</p>
<p>1. Do nothing – do not invest in bus station and risk the deterioration that would result from that decision.</p> <p>2. Do minimum – only undertake the short-term repairs to resolve immediate concerns and risk further deterioration that will lead to a more costly resurfacing later.</p> <p>3. Do more – act proactively and undertake the necessary investigation being prepared for the likelihood that short term repairs will be required followed by substantial resurfacing later for protection of this asset into the long term.</p> <p>Officers recommend option 3, considered strategically and reputationally advantageous.</p>
<p>9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service</p>
<p>Dawn Hudd – Joint Strategic Director – Place Marieke van der Reijden – Executive Head of Service for Assets & Property Cllr Richard Lucas – Lead Member for Assets and Property</p>
<p>10. What impact assessments have been undertaken? What are the impacts on other Services or projects?</p>
<p>None. This will require the Council to liaise and work closely with the North St Developer to ensure the long-term resurfacing works are delivered at the same time as their bus station refurbishment works.</p>
<p>11. What general approach will be taken to deliver?</p>
<p>The project will be managed inhouse but delivered via outsourced external consultancy support.</p>
<p>12. When and why must the work/project start?</p>
<p>From April 2024 (the start of the next financial year) so that the Council can protect itself from a deteriorating asset that could lead to insurance claims in the future. Works are deemed essential; during the last heavy downpour the basement electrical substation flooded, and the electricity supply company, UKPN, were called-out to undertake an emergency inspection.</p> <p>Undertaking the detailed work now will also assist in being prepared for the resurfacing works to be prepared well in advance of the North St Development refurbishment of the bus station thereby avoiding as best we can the potential consequences of any delays.</p>
<p>13a. What does Waverley/Guildford currently do to provide this service?</p>

N/A																								
13b. What discussion has been had with Waverley/Guildford about this mandate?																								
N/A																								
13c. What opportunities are there for savings through the collaboration?																								
N/A																								
13. What stakeholders will need to be involved?																								
<ul style="list-style-type: none"> • Freehold owner of land beneath the bus station • Bus operators • North St Developer • Highways Authority • Corporate Programmes 																								
14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?																								
<p>The investigatory work will be undertaken by an external, specialist consultant and any physical works will be designed and managed by them. The responsibility for the corporate running of the short-term project will be the Assets and Property service. The resurfacing works may end up being run by Corporate Programme Service.</p> <p>Input required from Procurement to assist with tendering for the work.</p> <p>Input required from Legal in connection with arranging access equipment permits and for putting the necessary works contracts in place.</p> <p>An external CDM coordinator required to oversee compliance with the Construction (Design and Management) Regulations 2015.</p>																								
15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.																								
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16. For projects, what are the potential resource costs to progress to the next stage/gate?																								
<p>Subject to financial approval, the first stage of the project is to obtain consultancy advice from Structural/Drainage Engineer and Building Surveyor to determine what the likely source of the issues is and the deterioration that requires a short-term repair; this exercise is estimated to be in the region of £12-15K.</p> <p>The next stage will be to design the repair works and seek the necessary approvals to enable the work to proceed. For that we will require officer time together with some input from the external consultants. We are not clear on what those costs will be but anticipate they will need doing in the short-term and this makes up the remainder of the £50K for 2024-25.</p>																								

17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks
<p>Issue – There is an issue that the Assets and Property service currently does not have a senior building surveyor or engineer in post. This could lead to delays in procuring the external consultants to get going asap.</p>
<p>The works are reliant on being able to gain access to the structure part of which is the responsibility of the landowner beneath the bus station. The complex nature of the repair makes it impractical to undertake this work easily and we will have to gain agreement for access from the landowner beneath the deck as well as the bus operators whilst undertaking any repair work within an operating bus station.</p>
<p>Assumptions – There is an assumption that permission to access the site will be forthcoming from the adjacent landowners, and that funding for this work will be made available.</p>
<p>Dependencies – The project will depend on the successful liaison with the adjoining landowner to coordinate the long-term resurfacing project with the refurbishment of the bus station, that is, the willingness of the North St Developer to work in tandem.</p>
<p>Constraints – The constrained nature of the site makes the work more difficult to implement because of the enclosed space underneath the structure and the exposed nature of the working areas above ground. Plus, this work could be weather dependent. Significant wind or rain will have a detrimental impact on the ability to complete the work and it is for this reason that it must be undertaken during the summer and autumn months.</p>
<p>Opportunities – There is an opportunity to create a resurfaced and refurbished bus station for the benefit of the users and those who traverse the site contributing to good public realm.</p>
<p>Risks – The strategic risks associated with the successful delivery of the project beyond those normally attributed to construction work are:</p> <ul style="list-style-type: none"> • The bus station surface and infrastructure beneath may deteriorate to the point that it becomes unsafe. Whilst we consider this to be unlikely in the short term, this could arise, and so investigatory works area required asap, and we would implement temporary measures should the need arise. • It is difficult to determine the exact extent of the works required until it is possible to closely assess all areas of issue. This is mitigated by allowances in this proposal for investigatory works to be done asap. • The work is very susceptible to interfering with the operation of the adjoining landowner’s car park beneath the deck and the bus operation above. This would be mitigated by setting up joint meetings to communicate and inform, plus good project management.

Mandate Proposal
Author:
1. Introduction and background:
Leak at Stoke cemetery
2. Why should a project be started, or a growth bid be considered now?
Health and Safety issues both in terms of walking hazard but also leakage through cemetery grave spaces.
3. What is the good idea or problem to be solved?
A section of the cemetery is waterlogged affecting graves and main pedestrian footpath. Our engineers have come up with a draft proposal to divert water to a pre-existing drain. This needs to be approved by the environmental agency. The engineers need a topographic survey to inform their proposal for the application to the EA and the application also needs to be accompanied by a tiered site assessment. The project is to solve the H and S issues this leak presents in this section of the cemetery. What are the success criteria? What is the purpose of the project?
Purpose is to solve the water leak issues in this section of the cemetery.
What is in scope and what is out of scope?
N/A
What priority, corporate objective or strategy is fulfilled by this project?
N/A
4. List desired benefits (non-financial)
H and S
5. IT Project Requirements (Ensure you consider links to Business World and Salesforce)
N/A
6. What are the strategic options available to GBC to deliver a solution?
n/a
7. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service
AR CW James Potter
8. What impact assessments have been undertaken? What are the impacts on other Services or projects?
n/a
9. What general approach will be taken to deliver?
EH have confirmed no resource to assist so consultants will manage the application to the environment agency and complete the tiered assessment.
10. When and why must the work/project start?
24/25 as operational issues limit where we can store waste at present.
13a. What does Waverley/Guildford currently do to provide this service?
Waverly contract out waste disposal – guildford inhouse but this particular waste is all taken away in roro's at present.
13b. What discussion has been had with Waverley/Guildford about this mandate?
Nil
13c. What opportunities are there for savings through the collaboration?
Nil
11. What stakeholders will need to be involved?
Nil
12. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?
Bereaved service lead, engineering team – external consultants for tiered assessment and application and any correspondence with the environment agency.

13. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.

Year	Capital Total (£)	Revenue Total (£)	Income Total (£)
2023/24	20k		
2024/25	80k	Nil	Nil
2025/26			
2026/27			
2027/28			

14. For projects, what are the potential resource costs to progress to the next stage/gate?

Nil

15. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks

Issue – There is an issue that

Nil

Assumptions – There is an assumption that...

Environmental Agency will accept proposal from engineers

Dependencies – There is a dependency on...

Resource if engineers and bereavement service

Constraints – A constraint is...

Opportunities – There is an opportunity to...

Risks – There is a risk that...

GENERAL FUND CAPITAL PROGRAMME - S106 ESTIMATED EXPENDITURE 2023-24 to 2028-29

Ref	Project Officer	Code	Service Units / Capital Schemes	Approved gross estimate	Cumulative spend at 31-03-23	2023-24		Expenditure at 02.01.24	Projected exp est by project officer	2024-25 Est for year	2025-26 Est for year	2026-27 Est for year	2027-28 Est for year	2028-29 Est for year	Future years est exp	Projected expenditure total	Grants / Contributions towards cost of scheme
						Estimate approved by Council in February	Revised estimate										
				(a)	(b)	(c)	(d)	(e)	(f)	(i)	(ii)	(iii)	(iv)	(v)	(g)	(b)+(f)+(g) = (h)	(i)
				£000	£000	£000		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
APPROVED SCHEMES (fully funded from S106 contributions)																	
COMMUNITY WELLBEING DIRECTORATE																	
Environmental Services																	
S-PL36	HJ	P18177	Gunpowder mills - signage, access and woodland imps	36	22	14	14	1	14	-	-	-	-	-	-	36	(36)
S-PL38	HJ	P18192	Chantry Wood Campsite	36		36	36	-	36	-	-	-	-	-	-	36	(36)
S-PL51	SA	P18225	Foxenden Quarry	101	54	59	47	18	47	-	-	-	-	-	-	101	(101)
S-PL48	HJ	P18230	Boardwalk Heathfield Nature Reserve	13		13	13	-	13	-	-	-	-	-	-	13	(13)
S-PL54	SA	P18241	Shalford park Trim Trail	12			12		12	-	-	-	-	-	-	12	(12)
S-PL55		P18242	GLIVE Landscaping	1			1	1	1							1	(1)
S-PL56		P18243	The Briars Playarea	169			169		169							169	(169)
S-PL57	SA	P18245	Stoke Park Fencing of Feature Planting & Ponw	10			10	10	10							10	(10)
COMMUNITY WELLBEING DIRECTORATE TOTAL				378	76	122	303	30	303	-	-	-	-	-	-	378	(378)
APPROVED S106 SCHEMES TOTAL				378	76	122	303	30	303	-	-	-	-	-	-	378	(378)

SUMMARY
APPROVED S106 SCHEMES - TOTAL
GRAND TOTAL

76	122	303	30	303	-	-	-	-	-	-	-	378	(378)
76	122	303	30	303	-	-	-	-	-	-	-	378	(378)

FINANCED BY - S106 CONTRIBUTIONS

(76)	(122)	(303)	(30)	(303)	-	-	-	-	-	-	-	(378)	378
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GENERAL FUND CAPITAL SCHEMES - PROJECTS FUNDED VIA RESERVES: ESTIMATED EXPENDITURE

Item No.	Project Officer	Code	Projects & Sources of Funding	Approved gross estimate (a) £000	Cumulative spend at 31-03-23 (b) £000	2023-24		Expenditure at 02.01.24 (e) £000	Projected exp est by project officer (f) £000	2024-25 Est for year (i) £000	2025-26 Est for year (ii) £000	2026-27 Est for year (iii) £000	2027-28 Est for year (iv) £000	2028-29 Est for year (v) £000	Future years est exp (g) £000	Projected expenditure total (b)+(f)+(g) = £000
						Estimate approved by Council in February (c) £000	Revised estimate (d) £000									
PLACE DIRECTORATE																
		P59...	ENERGY PROJECTS per SALIX RESERVE:(PR220)													
R-EN12	7-2021		LED lighting	44		-	44	-	44	-	-	-	-	-	-	44
			ENERGY PROJECTS per GBC INVEST TO SAVE RESERVE: <i>GBC 'Invest to Save' energy projects (to be repaid in line with savings)</i>													
R-EN14	BID207	P59108	SMP - air source heat pump	28	1	-	27	-	27	-	-	-	-	-	-	28
ENERGY RESERVES TOTAL				72	1	-	71	-	71	-	-	-	-	-	-	72
CAR PARKS RESERVE																
R-CP1	KMc	P37503	Car parks - install/replace pay-on-foot equipment	1,170	240	-	-	-	-	930	-	-	-	-	930	1,170
R-CP14	KMc/RH	P37514	Lift replacement (PR000293)	841	716	-	125	-	125	-	-	-	-	-	-	841
R-CP19	BID194	P37523	Structural works to MSCP	300	50	-	100	-	100	-	-	-	-	-	-	150
R-CP21	08-2021	P37526	Additional barriers Farnham Rd	15		-	15	-	15	-	-	-	-	-	-	15
R-CP22	08-2021	P37527	Deck surface replacement (stair cores)Farnham Rd	70		-	70	5	70	-	-	-	-	-	-	70
R-CP25	& BID 11	P37530	Structural repairs roof turret timbers Castle St Car Park	210		200	200	-	20	190	-	-	-	-	190	210
CAR PARKS RESERVE TOTAL				2,606	1,006	200	510	5	330	1,120	-	-	-	-	1,120	2,456
COMMUNITY WELLBEING DIRECTORATE																
INFORMATION TECHNOLOGY - IT Renewals Reserve (PR265) : approved annually																
			Hardware / software budget	500		440	440	-	440	-	-	-	-	-	-	440
R-IT1	SW-M	P81002	Hardware	annual	annual	-	-	73	-	-	-	-	-	-	-	-
R-IT2	SW-M	P81002	Software	annual	annual	-	-	-	-	-	-	-	-	-	-	-
		12,710	P81038	ICT Refresh Phase 2		60	60	6	60	-	-	-	-	-	-	60
			P81037	Salesforce	1,200	196			131	131						
R-IT3	09-1920		IDOX Acolaid to Uniform	275		275	275		275	-	-	-	-	-	-	275
R-IT4	09-1920		LCTS alternative	56		56	56		56	-	-	-	-	-	-	56
IT RENEWALS RESERVE TOTAL				2,031	196	831	831	209	962	-	-	-	-	-	-	831
SPA RESERVE :																
R-SPA1		P20...	SPA schemes (various)	100	annual	-	151	-	151	-	-	-	-	-	-	151
		P201..	Chantry Woods													
R-SPA2		P202..	Effingham													
R-SPA3		P203..	Lakeside													
R-SPA4		P204..	Riverside													
R-SPA5		P205..	Parsonage													
SPA RESERVE TOTAL				100	-	-	151	-	151	-	-	-	-	-	-	151
TRANSFORMATION & GOVERNANCE DIRECTORATE																
SPECTRUM RESERVE																
R-S14			Spectrum schemes (to be agreed with Freedom Leisure)	431	168	-	-	-	-	-	-	-	-	-	-	168
SPECTRUM RESERVE TOTAL				431	168	-	-	-	-	-	-	-	-	-	-	168
GRAND TOTALS				5,240	1,370	1,031	1,564	214	1,514	1,120	-	-	-	-	1,120	3,678

Appendix 3
Agenda item number: 9

GENERAL FUND CAPITAL PROGRAMME : SUMMARY OF RESOURCES AND FINANCIAL IMPLICATIONS

1.0 AVAILABILITY OF RESOURCES - NOTES :

1.1 The following balances have been calculated taking account of estimated expenditure on the approved capital schemes

1.2 The actuals for 2022-23 have not been audited.

1.3 Funding assumptions:

1. All capital expenditure will be funded in the first instance from available capital receipts and the General Fund capital programme reserve.
2. Once the above resources have been exhausted in any given year, the balance of expenditure will be financed from borrowing, both internally and externally, depending upon the Council's financial situation at the time.

1.4 These projections are based on estimated project costs, some of which will be 'firmed up' in due course. Any variations to the estimates and the phasing of expenditure will affect year on year funding projections.

2.0 Capital receipts - Balances (T01001)

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Balance after funding capital expenditure as at 31 March

	2022-23 Actuals £000	2023-24 Budget £000	2023-24 Est Outturn £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000	2028-29 Estimate £000
Balance as at 1 April	127	0	136	0	0	0	2,814	8,000
Add estimated usable receipts in year	169	0	2,545	2,000	39,109	18,905	15,551	56,227
Less applied re funding of capital schemes	(159)	0	(2,681)	(2,000)	(39,109)	(16,091)	(10,365)	(5,380)
Balance after funding capital expenditure as at 31 March	136	0	0	0	0	2,814	8,000	58,847

Agenda item number: 9
Appendix 3

GENERAL FUND CAPITAL PROGRAMME : SUMMARY OF RESOURCES AND FINANCIAL IMPLICATIONS

during year = outturn (col v, actual = col u)

3.0 Capital expenditure and funding - summary

Estimated capital expenditure

Main programme - approved
Main programme - provisional
s106
Reserves
GF Housing

Total estimated capital expenditure

To be funded by:

Capital receipts (*per 2.above*)
Contributions
R.C.C.O. :
Other reserves

Balance of funding to be met from (i) the Capital Reserve, and (ii) borrowing

Total funding required

	2022-23 Actuals £000	2023-24 Budget £000	2023-24 Est Outturn £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000	2028-29 Estimate £000
	34,053	147,359	72,123	88,944	2,496	2,000	2,000	0
	0	48,308	458	93,392	59,690	14,841	8,365	5,380
	283	122	303	0	0	0	0	0
	1,109	1,031	1,514	1,120	0	0	0	0
	0	0	0	0	0	0	0	0
Total estimated capital expenditure	35,445	196,820	74,398	183,456	62,186	16,841	10,365	5,380
	(159)	0	(2,681)	(2,000)	(39,109)	(16,091)	(10,365)	(5,380)
	(6,862)	(46,336)	(49,079)	(20,622)	(1,020)	(750)	0	0
	(2,389)	(1,131)	(1,798)	(1,192)	0	0	0	0
	0	0	0	0	0	0	0	0
	(9,410)	(47,467)	(53,558)	(23,814)	(40,129)	(16,841)	(10,365)	(5,380)
	(26,035)	(149,353)	(20,840)	(159,642)	(22,057)	0	0	0
Total funding required	(35,445)	(196,820)	(74,398)	(183,456)	(62,186)	(16,841)	(10,365)	(5,380)

4.0 General Fund Capital Schemes Reserve (U01030)

Balance as at 1 April

Add: General Fund Revenue Budget variations
Contribution from revenue

Less: Applied re funding of capital programme

Balance after funding capital expenditure etc.as at 31 March

	2022-23 Actuals £000	2023-24 Budget £000	2023-24 Est Outturn £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000	2028-29 Estimate £000
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0

Estimated shortfall at year-end to be funded from borrowing

	26,035	149,353	20,840	159,642	22,057	0	0	0
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GENERAL FUND CAPITAL PROGRAMME : SUMMARY OF RESOURCES AND FINANCIAL IMPLICATIONS

5.0 Housing capital receipts (pre 2013-14) - estimated availability/usage for Housing, Affordable Housing and Regeneration projects - GBC policy

Balance as at 1 April (T01008)
 Add: Estimated receipts in year
 Less: Applied re Housing (General Fund) capital programme
 Less: Applied re Housing company

	2022-23 Actuals £000	2023-24 Budget £000	2023-24 Est Outturn £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000	2028-29 Estimate £000
Balance as at 1 April (T01008)	0	0	0	0	0	0	0	0
Add: Estimated receipts in year	0	0	0	0	0	0	0	0
Less: Applied re Housing (General Fund) capital programme	0	0	0	0	0	0	0	0
Less: Applied re Housing company	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
Less: Applied on regeneration schemes	0	0	0	0	0	0	0	0
Housing receipts - estimated balance in hand at year end	0	0	0	0	0	0	0	0

5.1 Housing capital receipts (post 2013-14) - estimated availability/usage for Housing, Affordable Housing and Regeneration projects only (statutory (impact CFR))

Balance as at 1 April (T01012)
 Add: Estimated receipts in year
 Less: Applied re Housing (General Fund) capital programme
 Less: Applied re Housing Improvement programme

	2022-23 Actuals £000	2023-24 Budget £000	2023-24 Est Outturn £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000	2028-29 Estimate £000
Balance as at 1 April (T01012)	50	348	0	360	371	383	395	410
Add: Estimated receipts in year	645	301	0	304	307	310	313	0
Less: Applied re Housing (General Fund) capital programme	0	(189)	0	(72)	(75)	(78)	(78)	0
Less: Applied re Housing Improvement programme	(695)	(100)	0	(220)	(220)	(220)	(220)	(410)
	0	360	0	371	383	395	410	0
Less: Applied on regeneration schemes	0	0	0	0	0	0	0	0
Housing receipts - estimated balance in hand	0	360	0	371	383	395	410	0

Total £'000s

6.1 Estimated annual borrowing requirement

Bids for funding (net)

Total estimated borrowing requirement if all bids on Appendix 1 approved

26,035	149,353	20,840	159,642	22,057	0	0	0	202,539
	149,353	20,840	159,642	22,057	0	0	0	202,539

GENERAL FUND CAPITAL PROGRAMME - ESTIMATED EXPENDITURE 2023-24 to 2028-29

Revised budg Actual exp Forecast

Ref	Bid ref	Code	Directorate/Service and Capital Scheme name	Approved gross estimate	Cumulative spend at 31-03-23	2023-24											Projected expenditure total	Grants / Contributions towards cost of scheme	Funded from Reserves	Net cost of scheme
						Estimate approved by Council in February	Revised estimate	Expenditure at 02.01.24	Projected exp est by project officer	2024-25 Est for year	2025-26 Est for year	2026-27 Est for year	2027-28 Est for year	2028-29 Est for year	Future years est exp	(b)-(f)-(g) = (h)				
				(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)						
				£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
APPROVED SCHEMES																				
COMMUNITY WELLBEING DIRECTORATE																				
General Fund Housing																				
	PR381	N51008	Disabled Facilities Grants		annual	605	605	357	605	605	-	-	-	605	1,210	(1,210)	-	-		
		N51019	Better Care Fund		annual	-	-	266	-	-	-	-	-	-	-	-	-	-		
	PR381	N51020	Home Improvement Assistance		annual	-	-	-	-	-	-	-	-	-	-	-	-	-		
	PR381	N51021	Solar Energy Loans		annual	-	-	-	-	-	-	-	-	-	-	-	-	-		
		N51023	BCF TESH Project		annual	-	-	-	-	-	-	-	-	-	-	-	-	-		
		N51024	BCF Prevention grant		annual	-	-	9	-	-	-	-	-	-	-	-	-	-		
		N51030/32	SHIP		annual	-	-	-	-	-	-	-	-	-	-	-	-	-		
			General Grants to HAs		annual	100	100	-	100	100	-	-	-	100	200	-	-	200		
COMMUNITY WELLBEING DIRECTORATE TOTAL				0	0	705	705	632	705	705	0	0	0	0	705	1,410	-1,210	0	200	
PLACE DIRECTORATE																				
Assets and Property																				
	ED21 &	P72022	Methane gas monitoring system			100	48	52	52	(0)	52	-	-	52	100	-	-	100		
	ED22 &	P74058	Energy efficiency compliance - Council owned properties			245	102	133	143	0	143	-	-	143	245	-	-	245		
	ED26	P51053	Bridges -Inspections and remedial works			317	256	-	61	15	61	-	-	-	317	-	-	317		
	ED53	BID97	P74072	Tyting Farm Land-removal of barns and concrete hardstanding		200	143	57	57	7	10	47	-	47	200	-	-	200		
	OP1/OP		P66*	Flood resilience measures (use in conjunction with grant		445	324	-	121	-	0	121	-	121	445	-	-	445		
	OP26	PR264	P35022	Merrrow lane grille & headwall construction		60	3	-	57	-	57	-	-	57	60	-	-	60		
PLACE DIRECTORATE TOTAL				1,367	876	242	491	22	71	420	0	0	0	0	420	1,367	0	0	1,367	
COMMUNITY WELLBEING DIRECTORATE																				
Community Services																				
	PL60	7-1920		Traveller transit site provision		127	-	-	127	-	-	-	-	127	127	-	-	127		
Environmental Services																				
	OP6	PR304	P58012	Vehicles, Plant & Equipment Replacement Programme		12,815	10,529	149	136	30	70	2,216	-	-	2,216	12,815	(26)	12,789		
	OP28	PR284		Crown court CCTV		10	-	-	10	-	-	10	-	10	10	-	-	10		
	OP22	5-1920		Town Centre CCTV upgrade		106	-	125	250	-	-	106	-	106	106	(106)	-	-		
	PL20(c)		P18224	Redevelopment of Westborough and Park Barn play area		376	-	320	376	91	376	-	-	-	376	(56)	-	320		
	PL34	PR186	P04009	Stoke cemetery re-tarmac		122	77	-	45	-	45	-	-	-	122	-	-	122		
	PL57 &	BID211	P18215	Parks and Countryside - repairs and renewal of paths,roads		355	337	-	18	18	-	-	-	-	355	-	-	355		
	PL58	1-1920	P18220	Shalford Common - regularising car parking/reduction of		121	36	92	85	2	10	75	-	75	121	-	-	121		
	PL60	7-1920	P18226	Traveller encampments		53	-	26	53	3	3	50	-	50	53	-	-	53		
	PL61	Bid 2	P18238	Stoke Park Paddling Pool (complete)		170	168	-	2	2	-	-	-	-	170	-	-	170		
	PL62		P22067	Lido - Drainage Works and Changing Rooms		2,100	1,168	200	879	730	879	53	-	53	2,100	-	(1,500)	600		
	PL68	BID 6	P18418	SMP astro turf surface (complete)		3	-	8	8	3	3	-	-	-	3	-	-	3		
	PL67	BID 5	P05010	Crematorium Bollards & Lampost		5	-	5	5	-	5	-	-	-	5	-	-	5		
				Derby Road playground conversion		120	-	120	30	-	30	-	-	-	30	-	-	30		
COMMUNITY WELLBEING TOTAL DIRECTORATE				16,483	12,316	1,040	2,024	879	1,441	2,637	-	-	-	-	2,637	16,394	(188)	(1,500)	14,706	
TRANSFORMATION & GOVERNANCE DIRECTORATE																				
Finance																				
	FS1	PR303		Capital contingency fund		annual	-	2,000	1,820	-	1,820	2,000	2,000	2,000	2,000	8,000	9,820	-	9,820	
TRANSFORMATION & GOVERNANCE DIRECTORATE TOTAL				0	0	2,000	1,820	0	1,820	2,000	2,000	2,000	2,000	0	8,000	9,820	0	-	9,820	
DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS																				
Development / Infrastructure PLACE DIRECTORATE																				
	ED54	BID129	P74069/P740	Rodboro Buildings - electric theatre through road and parking		416	39	379	377	0	-	377	-	-	377	416	-	416		
	P5	PR354	P79027/P790	Walnut Bridge replacement		5,098	5,642	-	-	40	40	-	-	-	5,682	(2,460)	(950)	2,272		
			P79032	SMC(West) Phase 1 (complete)		1,944	1,928	-	39	16	16	-	-	1,944	(914)	-	1,029			
	P21		P79037/P790	Ash Road Bridge		44,000	9,189	22,491	30,473	7,648	19,349	14,966	496	-	44,000	(35,965)	-	8,035		
	P21		P79038	Ash Road Footbridge		500	183	36	317	0	-	317	-	-	500	-	-	500		
			P79995	Broadband for Surrey Hills (B4SH)		60	46	-	14	1	1	13	-	13	60	-	-	60		
	P11	PR364 &		Guildford West (PB) station (moved to Capital Vision)		500	-	250	500	-	-	-	-	-	-	-	-	-		
Development Financial - PLACE DIRECTORATE																				
	ED49	PR395	P72037	Middleton Ind Est Redevelopment		15,007	12,860	300	2,147	2,023	2,147	-	-	-	15,007	-	-	15,007		
	P12	PR371 &	P72045	Property acquisitions		12,697	9,675	23,953	23,845	1,630	2,022	1,000	-	1,000	12,697	-	-	12,697		
	PL9	PR136	P05009	Rebuild Crematorium(complete)		11,111	10,934	-	177	177	177	-	-	-	11,111	-	-	11,111		
	ED27		P79023/P790	North Street Development / Guild Town Centre regeneration		1,727	1,586	100	141	57	141	-	-	-	1,727	(250)	-	1,477		
	P22	BID 21-	P79039	Shaping Guildford Future (SGF) (no longer reqd)		4,170	-	2,640	4,170	-	-	-	-	-	-	-	-	-		
	ED32	PR028	P79026	Internal Estate Road - CLLR Phase 1		11,139	10,946	-	193	896	193	-	-	-	11,139	(5,107)	-	6,032		
	ED6	PR350	P74039 /	WUV (Weyside Urban Village)		170,506	29,004	93,223	110,452	5,653	43,943	66,509	-	-	170,706	(56,787)	-	113,918		
	ED6	PR350	P79100/P182	WUV - Allotment relocation		200	3,442	-	-	281	-	-	-	-	-	-	-	-		
	ED6	PR350	P79101	WUV - Int roads, Site clearance		-	1	-	-	1,145	-	-	-	-	-	-	-	-		
	ED6	PR350	P79102	WUV - New GBC Depot		2,480	2,424	-	56	578	56	-	-	-	2,480	-	-	2,480		
	ED6	PR350	P79103	WUV - Off Site Highways		-	-	-	530	-	-	-	-	-	-	-	-	-		
	ED6	PR350	P79104	WUV - Thames Water relocation		-	26,717	-	-	17,075	-	-	-	-	-	-	-	-		
	ED6	PR350	P79105	WUV -Utilities & Plot services		-	-	-	77	-	-	-	-	-	-	-	-	-		
	ED6	PR350	P79106	WUV - Land Purchase		-	1,091	-	-	-	-	-	-	-	-	-	-	-		
	ED6	PR350	P79108	WUV - Waste Transfer Centre		-	-	-	0	-	-	-	-	-	-	-	-	-		
	ED6	PR350	P79109	WUV - Commercial Development		-	-	-	0	-	-	-	-	-	-	-	-	-		
	ED6	PR350	P79110	WUV - SANG		-	-	-	212	-	-	-	-	-	-	-	-	-		
	ED6	PR350	P79111	WUV - Common Land		-	-	-	113	-	-	-	-	-	-	-	-	-		
DEVELOPMENT/INCOME GENERATING/COST REDUCTION				281,555	125,705	143,372	172,902	38,152	68,086	83,182	496	0	0	0	83,678	277,468	-101,484	-950	175,034	
APPROVED SCHEMES TOTAL				299,405	138,896	147,359	177,942	39,686	72,123	88,944	2,496	2,000	2,000	0	95,440	306,459	-102,882	-2,450	201,127	
non-development projects total				17,850	13,192	3,987	5,040	1,534	4,037	5,762	2,000	2,000	2,000	0	11,762	28,991	-1,398	-1,500	26,093	
development/infrastructure - non-financial benefit				52,518	17,027	23,156	31,720	7,705	19,406	15,673	496	0	0	0	16,169	52,601	-39,339	-950	12,312	
development- financial benefit				229,037	108,678	120,216	141,182	30,447	48,680	67,509	0	0	0	0	67,509	224,867	-62,144	0	162,723	
TOTAL				299,405	138,896	147,359	177,942	39,686	72,123	88,944	2,496	2,000	2,000	0	95,440	306,459	-102,882	-2,450	201,127	

GENERAL FUND CAPITAL PROGRAMME - ESTIMATED EXPENDITURE 2023-24 to 2028-29

Ref	Veto ref	Code	Directorate / Service Units Capital Schemes	Gross estimate approved by Executive	2023-24											Future years estimated expenditure	Projected expenditure total	Grants or Contributions towards cost of scheme	Net total cost of scheme to the Council		
					Cumulative spend at 31-03-23	Estimate approved by Council in February	Revised estimate	Expenditure at 02.01.24	Projected exp est by project officer	2024-25 Est for year	2025-26 Est for year	2026-27 Est for year	2027-28 Est for year	2028-29 Est for year	2029-30 Est for year					2030-31 Est for year	2031-32 est for yr and SARP to 3233
(a)	(b)	(c)	(e)	(f)	(g)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(h)	(b)+(g)+(h)=(i)	(j)	(i) - (j) = (k)				
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000				
PROVISIONAL SCHEMES (schemes approved in principle: further report to the Executive required)																					
PLACE DIRECTORATE																					
Assets and Property																					
ED21(P)			Methane gas monitoring system	150	-	150	150	-	-	150	-	-	-	-	150	150	-	150			
ED22(P)			Energy efficiency compliance - Council owned properties & Bridges	3,218	-	2,718	2,718	-	-	2,718	500	-	-	-	3,218	3,218	-	3,218			
ED28(P)			Bridges	370	-	370	370	-	-	370	-	-	-	-	370	370	-	370			
ED57(P)	BID 7 2324		Investment Property void pot	500	-	100	100	-	100	100	100	100	-	-	400	500	-	500			
OP21(P)	PR261		Surface water management plan	200	-	200	200	-	-	200	-	-	-	-	200	200	-	200			
PL62(p)	Bid 4 2223		Chilworth Gunpowder Mills	180	-	165	176	-	20	160	-	-	-	-	160	180	-	180			
PLACE DIRECTORATE TOTAL				4,618	-	3,333	3,713	-	120	980	2,818	600	100	-	4,498	4,618	-	4,618			
COMMUNITY WELLBEING DIRECTORATE																					
Environmental Services																					
OP6(P)	Bid 5 2223		Vehicles, Plans & Equipment Replacement Programme	21,850	-	2,900	2,900	-	-	-	3,085	2,766	7,183	5,330	2,000	600	886	21,850			
PL18(P)			Refurbishment / rebuild Sutherland Memorial Park Pavilion (no longer reqd)	150	-	-	-	-	-	-	-	-	-	-	-	-	-	150			
PL45(p)	PR388		Stoke Pk gardens water feature refurb (no longer reqd)	40	-	40	40	-	-	-	-	-	-	-	-	-	(29)	(29)			
PL57(p)	BID211	P18215	Parks and Countryside - repairs and renewal of paths,roads and Millmead fish pass	1,382	-	250	250	-	-	500	250	250	382	-	-	-	-	1,382			
PL59(p)	BID229		Millmead fish pass	60	-	60	60	-	-	60	-	-	-	-	-	-	-	60			
PL63(p)	Bid 9 2223		Memorial Wall	100	-	-	-	-	-	-	100	-	-	-	100	100	-	100			
PL34(p)	Bid 10 2223		Stoke cemetery re-landscaping	18	-	18	18	-	-	-	-	-	-	-	-	-	-	18			
PL64(p)	BID 1 2324		Lido Road Allotment Security Fencing	70	-	70	70	-	70	-	-	-	-	-	-	-	-	70			
PL65(p)	BID 2 2324		2015 Play strategy action plan (no longer reqd)	200	-	200	200	-	-	-	-	-	-	-	-	-	-	200			
COMMUNITY WELLBEING DIRECTORATE TOTAL				23,870	-	3,460	3,538	-	88	560	3,435	3,016	7,565	5,330	2,000	600	886	23,392	(29)	23,451	
TRANSFORMATION & GOVERNANCE DIRECTORATE																					
Commercial Services																					
PL66(p)	BID 3 2324		Spectrum upgrades	7,100	-	1,250	1,250	-	-	3,000	2,300	1,150	650	-	-	-	-	7,100			
TRANSFORMATION & GOVERNANCE DIRECTORATE TOTAL				7,100	-	1,250	1,250	-	-	3,000	2,300	1,150	650	-	-	-	-	7,100	-	7,100	
DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS																					
Development / Infrastructure - PLACE DIRECTORATE																					
PR130	P79996		Investment in North Downs Housing (no longer reqd)	30,100	-	5,518	5,518	-	-	-	-	-	-	-	-	-	-	-			
PR130	P79997		Equity shares in Guildford Holdings Ltd (no longer reqd)	-	-	3,683	3,683	-	-	-	-	-	-	-	-	-	-	-			
P10(p)	PR316		Sustainable Movement Corridor (no longer reqd)	150	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
P11(p)	PR364 &		Guildford West (PB) station (moved to Capital Vision)	1,000	-	1,000	1,000	-	-	-	-	-	-	-	-	-	-	-			
ED48(p)	PR390		Westfield/Moorfield rd resurfacing	3,152	-	-	-	-	-	3,152	-	-	-	-	-	-	-	3,152			
OP24(p)	BID 4 2324		Development Financial - PLACE DIRECTORATE	2,430	-	200	200	-	200	2,200	30	-	-	-	-	-	-	2,430			
ED16(P)	PR350		WUV (Wayside Urban Village)	150,622	-	1,522	1,522	-	-	83,450	51,057	10,025	-	-	-	-	-	144,532			
ED38(P)	PR041		North Street development	1,250	-	50	50	-	50	50	50	50	950	-	-	-	-	1,250			
P12(p)	PR371 & 4		Property acquisitions (no longer reqd)	38,292	-	28,292	28,292	-	-	-	-	-	-	-	-	-	-	-			
DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS TOTAL				226,996	-	40,265	40,265	-	250	88,852	51,137	10,075	50	50	950	-	-	151,114	(29)	151,364	
PROVISIONAL SCHEMES - GRAND TOTALS				262,584	-	48,308	48,766	-	458	93,392	59,690	14,841	8,365	5,380	2,950	600	886	186,104	(29)	186,533	
Summary																					
non development projects				35,588	-	8,043	8,501	-	208	4,440	8,553	4,766	8,315	5,330	2,000	600	886	34,990	35,198	(29)	35,169
development/infrastructure - non-financial benefit				34,402	0	10,201	10,201	0	0	3,152	0	0	0	0	0	0	0	3,152	3,152	0	3,152
development- financial benefit				192,594	0	30,064	30,064	0	250	85,700	51,137	10,075	50	50	950	0	0	147,962	148,212	0	148,212
TOTAL				262,584	0	48,308	48,766	0	458	93,392	59,690	14,841	8,365	5,380	2,950	600	886	186,104	186,562	(29)	186,533
SUMMARY																					
PROVISIONAL SCHEMES - TOTAL				262,584	-	48,308	48,766	-	458	93,392	59,690	14,841	8,365	5,380	2,950	600	886	186,104	186,562	(29)	186,533
GRAND TOTAL				262,584	-	48,308	48,766	-	458	93,392	59,690	14,841	8,365	5,380	2,950	600	886	186,104	186,562	(29)	186,533

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GUILDFORD B.C. - HOUSING INVESTMENT PROGRAMME 2023-24 to 2028-29: HRA APPROVED PROGRAMME

	Project Budget £000	2022-23 Actual £000	Project Spend at 31-03-23 £000	2023-24 Estimate £000	Carry Forward	2023-24 Revised Estimate £000	Expenditure as at 03.01.24 0	2023-24 Projected Outturn £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000	2028-29 Estimate £000	Total Project Exp £000
Acquisition of Land & Buildings	22,900	4,165	18,382	4,000	518	4,518	2,441	4,518	0	0	0	0	0	22,900
New Build														
Guildford Park	6,575	1,766	5,366	1,084	125	1,209	244	745	464	0	0	0	0	6,575
Bright Hill (no longer reqd)	500	50	67	423	10	433	0	0	0	0	0	0	0	67
Foxburrows Redevelopment	10,657	0	0	9,591	0	9,591	0	0	9,591	1,066	0	0	0	10,657
Shawfield Redevelopment	300		4	296	0	296	0	0	296	0	0	0	0	300
Various small sites & feasibility/Site preparation	1,000		0	0	0	0	0	0	1,000	0	0	0	0	1,000
Pipeline projects:	9,425		7	3,422	5,700	9,122		0	0	0	0	0	0	9,122
Manor House Flats		20	95			0	18	74	59	1,271	1,688	292		
Banders Rise		5	28			0	3	2	0	0				
Station Road East		4	27			0	6	60	355	314	62			
Dunmore Garden Land		5	39			0	31	73	445	61	51			
Clover Road Garages		11	57			0	7	101	1,071	1,588	272			
Rapleys Field		11	29			0	6	90	729	1,184	198			
Georgelands 108		4	5			0	10	72	359	46	36			
27 Broomfield		5	9			0	7	59	325	45	36			
17 Wharf Lane		4	8			0	6	57	312	44	34			
Development Projects	7,100			7,100		7,100		0	0			4,748		7,100
Schemes to promote Home-Ownership														
Equity Share Re-purchases	annual	0	annual	400	0	400	0	400	400	400	0	0	0	annual
Major Repairs & Improvements				20,600	6,736	27,336		27,336	0					
Retentions & minor carry forwards	annual	0	annual				0	0						annual
Modern Homes - Kitchens, Bathrooms & Void refurb	annual	6,602	annual				13,137	0						annual
Doors and Windows	annual	908	annual				1,855	0						annual
Structural/Roof	annual	1,056	annual				734	0						annual
Energy efficiency: Central heating/Lighting	annual	1,948	annual				1,100	0						annual
General	annual	9,794	annual				5,903	0						annual
ICT - Housing Management System	1,900			950		950		950	950	0				1,900
Grants														
Cash Incentive Scheme	annual	0	annual	0	0	0	0	0						annual
TOTAL APPROVED SCHEMES	60,357	26,355	24,122	47,866	13,089	60,955	25,509	34,537	16,356	6,019	2,377	5,040	0	59,621

GUILDFORD B.C. - HOUSING INVESTMENT PROGRAMME 2023-24 to 2028-29: HRA PROVISIONAL PROGRAMME

	Project Budget £000	2022-23 Actual £000	Project Spend at 31-03-23 £000	2023-24 Estimate £000	Carry Forward	2023-24 Revised Estimate	2023-24 Projected Outturn £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000	2028-29 Estimate £000	Total Project Exp £000
New Build													
Guildford Park	39,125	0	1,225	1,173	0	1,173	0	3,869	8,472	6,887	6,007	12,664	39,125
Bright Hill Development	16,500	0	0	8,680	0	8,680	0	0	0	0	0	0	0
Slyfield (25/26 £5m; 26/27 £44m)	50,000	0	0	0	1,000	1,000	0	0	5,000	44,000	0	0	49,000
Shawfield Redevelopment	3,000	0	0	500	0	500	0	0	0	0	0	0	0
Major Repairs & Improvements													
Major Repairs & Improvements	annual		annual	5,500	0	5,500	0	5,500	5,500	5,500	5,500	5,500	annual
Retentions & minor carry forwards	annual		annual										annual
Modern Homes: Kitchens and bathrooms	annual		annual										annual
Doors and Windows	annual		annual										annual
Structural	annual		annual										annual
Energy efficiency: Central heating	annual		annual										annual
General	annual		annual										annual
Grants													
Cash Incentive Scheme	annual		annual	75		75	0	75	75	75	75	75	annual
Total Expenditure to be financed	108,625	0	1,225	15,928	1,000	16,928	0	9,444	19,047	56,462	11,582	18,239	88,125

Agenda item number: 9
Appendix 4

Treasury management policy statement

Background

The Council adopts the key recommendations of the CIPFA's Treasury Management in the Public Services: Code of Practice (the TM Code), as described in Section 5 of the TM Code.

The Council will create and maintain, as the cornerstones for effective treasury management:

- a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
- suitable treasury management practices (TMP's), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities

CIPFA requirement

The Council is required to adopt the following to define the policies and objectives of its treasury management activities.

1. The Council defines its treasury management activities are:

“the management of the Council’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”

2. The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on the Council's risk implications, and any financial instruments entered into to manage these risks
3. The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

The Council's requirements

The Council is also required to detail its high-level policies for borrowing and investments

Agenda item number: 9
Appendix 5

1. The Council (i.e. full council) will receive reports on its treasury management policies, practices and objectives including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its closed, in the form prescribed in the TMPs
2. The Council delegates responsibility for the
 - a. implementation and monitoring of its treasury management practices and policies to the Corporate Governance and Standards Committee and
 - b. execution and administration of treasury management decisions, along with changes to the TMP's to the Chief Finance Officer, who will act in accordance with the Council's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.
3. The Council nominates the Corporate Governance and Standards Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies
4. The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk, refinancing risk and maturity risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt
5. The Council's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Council's investments followed by the yield earned in investments remain important but are secondary considerations.

Money Market Code Principles

The money market code has been developed to provide a common set of principles in order to promote the integrity and effective functioning of the UK money markets.

It is intended to promote a fair, effective and transparent market in which a diverse set of UK market participants, supported by resilient infrastructure, are able to confidently and effectively transact in a manner that is consistent with the highest standards of behaviour.

The code is based on six underpinning principles in order to promote an open, fair and effective market:

Ethics

1. UK Market Participants are expected to behave in an appropriate and professional manner

Governance and Risk Management

2. UK Market Participants should have an applicable governance framework that facilitates responsible participation in the UK Markets and provides for comprehensive oversight of such activity at an appropriately senior level of management. There should be clear and defined internal escalation routes
3. UK Market Participants are expected to maintain a vigorous control environment to effectively identify, measure, monitor, manage and report on the risks associated with their engagement in the UK market

Information Sharing, Confidentiality and Communications

4. UK Market Participants are expected to be clear, accurate, professional, and not misleading in their communications, and to protect relevant confidential information to support effective communication

Execution, Surveillance, Confirmations and Settlement

5. UK Market Participants are expected to exercise appropriate care when negotiating, executing and settling transactions
UK Market Participants are expected to put in place effective and efficient processes to promote the secure, smooth, and timely settlement of transactions

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Economic and Interest Rate Forecast

19th December 2023

- UK inflation and wage growth remain elevated but have eased over the past two months fuelling rate cuts expectations. Near-term rate cuts remain unlikely, although downside risks will increase as the UK economy likely slides into recession.
- The MPC’s message remains unchanged as the Committee seeks to maintain tighter financial conditions. Monetary policy will remain tight as inflation is expected to moderate to target slowly, although some wage and inflation measures are below the Bank’s last forecasts.
- Despite some deterioration in activity data, the UK economy remains resilient in the face of tighter monetary policy. Recent data has been soft but mixed; the more timely PMI figures suggest that the services sector is recovering from a weak Q3. Tighter policy will however bear down on domestic and external activity as interest rates bite.
- Employment demand is easing. Anecdotal evidence suggests slowing recruitment and pay growth, and we expect unemployment to rise further. As unemployment rises and interest rates remain high, consumer sentiment will deteriorate. Household and business spending will therefore be weak.
- Inflation will fall over the next 12 months. The path to the target will not be smooth, with higher energy prices and base effects interrupting the downtrend at times. The MPC’s attention will remain on underlying inflation measures and wage data. We believe policy rates will remain at the peak for another 10 months, or until the MPC is comfortable the risk of further ‘second-round’ effects has diminished.
- Maintaining monetary policy in restrictive territory for so long, when the economy is already struggling, will require significant loosening in the future to boost activity.
- Global bond yields will remain volatile. Markets are currently running with expectations of near-term US rate cuts, fuelled somewhat unexpectedly by US policymakers themselves. Term premia and bond yields have experienced a marked decline. It would not be a surprise to see a reversal if data points do not support the narrative, but the current 10-year yield appears broadly reflective of a lower medium- term level for Bank Rate.
- There is a heightened risk of fiscal policy and/or geo-political events causing substantial volatility in yields.

	Current	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26
Official Bank Rate													
Upside risk	0.00	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00
Central Case	5.25	5.25	5.25	5.25	5.00	4.75	4.25	4.00	3.75	3.50	3.25	3.00	3.00
Downside risk	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
3-month money market rate													
Upside risk	0.00	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00
Central Case	5.40	5.40	5.40	5.30	5.15	4.80	4.30	4.10	3.80	3.50	3.25	3.05	3.05
Downside risk	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
5yr gilt yield													
Upside risk	0.00	0.25	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.77	3.75	3.75	3.75	3.70	3.60	3.50	3.50	3.40	3.30	3.30	3.30	3.35
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
10yr gilt yield													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.72	3.75	3.80	3.80	3.80	3.80	3.80	3.80	3.75	3.65	3.60	3.65	3.70
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
20yr gilt yield													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	4.16	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.25
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
50yr gilt yield													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.76	3.80	3.85	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.95	3.95	3.95
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00

PWLB Standard Rate (Maturity Loans) = Gilt yield + 1.00%; PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%
 PWLB HRA Rate (Maturity Loans) = Gilt yield + 0.40%; UKIB Rate (Maturity Loans) = Gilt yield + 0.60%

- The MPC held Bank Rate at 5.25% in December. We believe this is the peak for Bank Rate.
- The MPC will cut rates in the medium term to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. We see rate cuts from Q3 2024 to a low of around 3% by early-mid 2026.
- The immediate risks around Bank Rate have become more balanced, due to the weakening UK economy and dampening effects on inflation. This shifts to the downside in the short term as the economy weakens.
- Long-term gilt yields are now substantially lower. Arlingclose expects yields to be flat from here over the short-term reflecting medium term Bank Rate forecasts. Periodic volatility is likely.

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Credit Rating Equivalents and Definitions

	Fitch	Moody's	Standard & Poor's	Fitch	Moody's	Standard & Poor's
Long Term Investment Grade	AAA	Aaa	AAA	AAA Highest credit quality. 'AAA' ratings denote the lowest expectation of credit risk. They are assigned only in the case of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.	Aaa Obligations rated Aaa are judged to be of the highest quality, with minimal credit risk.	AAA An obligator rated 'AAA' has extremely strong capacity to meet its financial commitments. 'AAA' is the highest issuer credit rating assigned by Standard & Pooers.
	AA+	Aa1	AA+	AA Very high credit quality. 'AA' ratings denote expectations of very low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.	Aa Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.	AA An obligator rated 'AA' has very strong capacity to meets its financial commitments. It differs from the highest rated obligators only to a small degree.
	AA	Aa2	AA			
AA-	Aa3	AA-				
	A+	A1	A+	A High credit quality. 'A' ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.	A Obligations rated A are considered upper-medium grade and are subject to low credit risk.	A An obligator rated 'A' has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligators in higher rated categories.
	A	A2	A			
	A-	A3	A-			
	BBB+	Baa1	BBB+	BBB Good credit quality. 'BBB' ratings indicate that there are currently expectations of low credit risk. The capacity for payment of financial commitments is considered adequate but adverse changes in circumstances and economic conditions are more likely to impair this capacity. This is the lowest investment grade category.	Baa Obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess certain speculative characteristics.	BBB An obligator rated 'BBB' has adequate capacity to meets its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligator to meet its financial commitments.
	BBB	Baa2	BBB			
	BBB-	Baa3	BBB-			
Sub Investment Grade	BB+	Ba1	BB+			
	BB	Ba2	BB			
	BB-	Ba3	BB-			
	B+	B1	B+			
	B	B2	B			
	B-	B3	B-			
	CCC+	Caa1	CCC+			
	CCC	Caa2	CCC			
	CCC-	Caa3	CCC-			
	CC+	Ca1	CC+			
	CC	Ca2	CC			
	CC-	Ca3	CC-			
	C+	C1	C+			
	C	C2	C			
	C-	C3	C-			
	D		D or SD			

Guildford Borough Council
Flexible Use of Capital Receipts Strategy 2024/25 to 2025/26

When a capital asset is no longer needed, it may be sold to generate a capital receipt. Capital receipts are normally ringfenced to finance the capital programme such as purchasing or developing new assets or to repay debt.

On 6 February 2018 the Secretary of State issued a direction under Section 16(2)(b) of the Local Government Act 2003 and guidance under section 15(1)(a) of the Local Government Act 2003 to allow local authorities to spend capital receipts on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility. The direction has applied from the financial years 1 April 2016 to 1 April 2021 without amendment. In February 2021, the scheme was extended for financial years from 1 April 2022 to 1 April 2024, and it was announced as part of the LG Finance Settlement in December 2023 to extend the scheme further.

The set up and implementation costs of any new processes or arrangements are classified as qualifying expenditure which can apply for the flexible use of capital receipts.

Examples of projects include:

- Sharing back-office and administrative services with one or more other council or public sector bodies;
- Investment in service reform feasibility work, e.g. setting up pilot schemes;
- Collaboration between local authorities and central government departments to free up land for economic use;
- Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation;
- Sharing Chief-Executives, management teams or staffing structures;

- Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible;
- Aggregating procurement on common goods and services where possible, either as part of local arrangements or using Crown Commercial Services or regional procurement hubs or Professional Buying Organisations;
- Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy – this could include an element of staff training;
- Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, through selling services to others); and
- Integrating public facing services across two or more public sector bodies (for example children’s social care, trading standards) to generate savings or to transform service delivery.

A policy on the flexible use of capital receipts was previously approved by Council as part of the Capital and Investment strategy in February 2019 to help finance the transformation costs of the Future Guildford transformation project (should it be required), and again in November 2021 for the Collaboration costs with Waverley BC. As the Government has now extended the scheme further, we can take advantage of this flexibility to help fund transformation, service redesign costs and any costs associated with our savings programme from 2024/25.

The recommendation in this report is to request Councillors to approve the flexible use of capital receipts strategy, for the transformation costs incurred in 2024/25.

Glossary

Affordable Housing Grants – grants given to Registered Providers to facilitate the provision of affordable housing.

Arlingclose – the Council’s treasury management advisors

Authorised Limit – the maximum amount of external debt at any one time in the financial year

Bail in risk – Following the financial crisis of 2008 when governments in various jurisdictions injected billions of dollars into banks as part of bail-out packages, it was recognised that bondholders, who largely remained untouched through this period, should share the burden in future by making them forfeit part of their investment to “bail-in” a bank before taxpayers are called upon.

A bail in takes place before a bankruptcy and under current proposals, regulators would have the power to impose losses on bondholders while leaving untouched other creditors of similar stature, such as derivatives counterparties. A corollary to this is that bondholders will require more interest if they are to risk losing money to a bail-in.

Balances and Reserves – accumulated sums that are maintained either earmarked for specific future costs or commitments or generally held to meet unforeseen or emergency expenditure

Bank Rate – the Bank of England base rate

Banks – Secured – covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the banks assets, which limits the potential losses in the unlikely event of insolvency and means they are exempt from bail in.

Banks – Unsecured – accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. Subject to the risk of credit loss via a bail in should the regulator determine that the bank is failing or likely to fail.

Bonds – Bonds are debt instruments issued by government, multinational companies, banks and multilateral development banks. Interest is paid by the issuer to the bond holder at regular pre-agreed periods. The repayment date of the principal is also set at the outset.

Capital expenditure – expenditure on the acquisition, creation or enhancement of capital assets

Capital Financing Requirement (CFR) – the Council's underlying need to borrow for a capital purpose, representing the cumulative capital expenditure of the Council that has not been financed

Certainty rate – the government has reduced by 20 basis points (0.20%) the interest rates on loans via the Public Works Loan Board (PWLB) to principal local authorities who provide information as specified on their plans for long-term borrowing and associated capital spending.

Certificates of deposit – Certificates of deposit (CDs) are negotiable time deposits issued by banks and building societies and can pay either fixed or floating rates of interest. They can be traded on the secondary market, enabling the holder to sell the CD to a third party to release cash before the maturity date.

CIPFA - the Chartered Institute of Public Finance and Accountancy. The institute is one of the leading professional accountancy bodies in the UK and the only one which specialises in the public sector. It is responsible for the education and training of professional accountants and for their regulation through the setting and monitoring of professional standards. Uniquely among the professional accountancy bodies in the UK, CIPFA has responsibility for setting accounting standards for a significant part of the economy, namely local government. CIPFA's members work, in public service bodies, in the national audit agencies and major accountancy firms.

CLG – Department for Communities and Local Government

Corporates – loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent.

Corporate bonds – Corporate bonds are those issued by companies. Generally, however, the term is used to cover all bonds other than those issued by governments. The key difference between corporate bonds and government bonds is the risk of default.

Cost of Carry - Costs incurred as a result of an investment position, for example the additional cost incurred when borrowing in advance of need, if investment returns don't match the interest payable on the debt.

Counterparty – the organisation the Council is investing with

Covered bonds – a bond backed by assets such as mortgage loans (covered mortgage bond). Covered bonds are backed by pools of mortgages that remain on the issuer's balance sheet, as opposed to mortgage-backed securities such as collateralised mortgage obligations (CMOs), where the assets are taken off the balance sheet.

Credit default swaps (CDS) – similar to an insurance policy against a credit default. Both the buyer and seller of a CDS are exposed to credit risk. The buyer effectively pays a premium against the risk of default.

Credit Rating – an assessment of the credit worthiness of an institution

Creditworthiness – a measure of the ability to meet debt obligations

Derivative investments – derivatives are securities whose value is derived from the some other time-varying quantity. Usually that other quantity is the price of some other asset such as bonds, stocks, currencies, or commodities.

Diversification / diversified exposure – the spreading of investments among different types of assets or between markets in order to reduce risk.

Derivatives – Financial instruments whose value, and price, are dependent on one or more underlying assets. Derivatives can be used to gain exposure to, or to help protect against, expected changes in the value of the underlying investments. Derivatives may be traded on a regulated exchange or traded ‘over the counter’.

DMADF – Debt Management Account Deposit Facility operated by the DMO where users can place cash in secure fixed-term deposits. Deposits are guaranteed by the government and therefore have the equivalent of the sovereign credit rating.

DMO – debt management office. An Executive Agency of Her Majesty’s Treasury (HMT) with responsibilities including debt and cash management for the UK Government, lending to local authorities and managing certain public sector funds.

EIP Loans – Equal Instalments of Principal. A repayment method whereby a fixed amount of principal is repaid with interest being calculated on the principal outstanding

European Investment Bank (EIB) – The European Investment Bank is the European Union’s non-profit long-term lending institution established in 1958 under the Treaty of Rome. It is a “policy driven bank” whose shareholders are the member states of the EU. The EIB uses its financing operations to support projects that bring about European integration and social cohesion.

Finance Lease - a finance lease is a lease that is primarily a method of raising finance to pay for assets, rather than a genuine rental. The latter is an operating lease. The key difference between a finance lease and an operating lease is whether the lessor (the legal owner who rents out the assets) or lessee (who uses the asset) takes on the risks of ownership of the leased assets. The classification of a lease (as an operating or finance lease) also affects how it is reported in the accounts.

Floating rate notes – Floating rate notes (FRNs) are debt securities with payments that are reset periodically against a benchmark rate, such as the three month London inter-bank offer rate (LIBOR). FRNs can be used to balance risks incurred through other interest rate instruments in an investment portfolio.

Government – loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail in, and there is an insignificant risk of insolvency.

Gilts – long term fixed income debt security (bond) issued by the UK Government and traded on the London Stock Exchange

Housing Grants – see Affordable Housing Grants

Illiquid – cannot be easily converted into cash

Interest rate risk – the risk that unexpected movements in interest rates have an adverse impact on revenue due to higher interest paid or lower interest received.

Liability benchmark – the minimum amount of borrowing required to keep investments at a minimum liquidity level (which may be zero)

LIBID – London Interbank BID Rate – the interest rate at which London banks are willing to borrow from one another

LIBOR - London Interbank Offer Rate – the interest rate at which London banks offer one another. Fixed every day by the British Bankers Association to five decimal places.

Liquidity risk – the risk stemming from the inability to trade an investment (usually an asset) quickly enough to prevent or minimise a loss.

Market risk – the risk that the value of an investment will decrease due to movements in the market.

Mark to market accounting – values the asset at the price that could be obtained if the assets were sold (market price)

Maturity loans – a repayment method whereby interest is repaid throughout the period of the loan and the principal is repaid at the end of the loan period.

Minimum Revenue Provision (MRP) - the minimum amount which must be charged to an authority's revenue account each year and set aside towards repaying borrowing

Money Market - the market in which institutions borrow and lend

Money market funds – an open-end mutual fund which invests only in money markets. These funds invest in short-term debt obligations such as short-dated government debt, certificates of deposit and commercial paper. The main goal is the preservation of principal, accompanied by modest dividends. The fund's net asset value remains constant (e.g. £1 per unit) but the interest rates does fluctuate. These are liquid investments, and therefore, are often used by financial institutions to store money that is not currently invested. Risk is extremely low due to the high rating of the MMFs; many have achieved AAA credit status from the rating agencies:

- Constant net asset value (CNAV) refers to funds which use amortised cost accounting to value all of their assets. They aim to maintain a net asset value (NAV), or value of a share of the fund, at £1 and calculate their price to two decimal places known as “penny rounding”. Most CNAV funds distribute income to investors on a regular basis (distributing share class), though some may choose to accumulate the income, or add it on to the NAV (accumulating share class). The NAV of accumulating CNAV funds will vary by the income received.
- Variable net asset value (VNAV) refers to funds which use mark-to-market accounting to value some of their assets. The NAV of these funds will vary

by a slight amount, due to the changing value of the assets and, in the case of an accumulating fund, by the amount of income received.

This means that a fund with an unchanging NAV is, by definition, CNAV, but a fund with a NAV that varies may be accumulating CNAV or distributing or accumulating VNAV.

Money Market Rates – interest rates on money market investments

Multilateral Investment banks – International financial institutions that provide financial and technical assistance for economic development

Municipal Bonds Agency – An independent body owned by the local government sector that seeks to raise money on the capital markets at regular interval to on-lend to participating local authorities.

Non Specified Investments - all types of investment not meeting the criteria for specified investments.

Operational Boundary – the most likely, prudent but not worse case scenario of external debt at any one time

Pooled Funds – investments are made with an organisation who pool together investments from other organisations and apply the same investment strategy to the portfolio. Pooled fund investments benefit from economies of scale, which allows for lower trading costs per pound, diversification and professional money management.

Project rate – the government has reduced by 40 basis points (0.40%) the interest rates on loans via the Public Works Loans Board (PWLB) for lending in respect of an infrastructure project nominated by a Local Enterprise Partnership (LEP).

Prudential Code – a governance procedure for the setting and revising of prudential indicators. Its aim is to ensure, within a clear framework, that the capital investment plans of the Council are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with good practice.

Prudential Indicators – indicators set out in the Prudential Code that calculates the financial impact and sets limits for treasury management activities and capital investment

PWLB (Public Works Loans Board) - a central government agency which provides long- and medium-term loans to local authorities at interest rates only slightly higher than those at which the Government itself can borrow. Local authorities are able to borrow to finance capital spending from this source.

Registered Providers (RPs) – also referred to as Housing Associations.

Repo - A repo is an agreement to make an investment and purchase a security (usually bonds, gilts, treasuries or other government or tradeable securities) tied to an agreement to sell it back later at a pre-determined date and price. Repos are secured investments and sit outside the bail-in regime.

Reserve Schemes – category of schemes within the General Fund capital programme that are funded from earmarked reserves, for example the Car Parks Maintenance reserve or Spectrum reserves.

Sovereign – the countries the Council are able to invest in

Specified Investments - Specified investments are defined as:

- a. denominated in pound sterling;
- b. due to be repaid within 12 months of arrangement;
- c. not defined as capital expenditure; and
- d. invested with one of:
 - i. the UK government;
 - ii. a UK local authority, parish council or community council, or
 - iii. a body or institution scheme of high credit quality

Stable Net Asset Value money market funds – the principle invested remains at its invested value and achieves a return on investment

Subsidy Capital Financing Requirement – the housing capital financing requirement set by the Government for Housing Subsidy purposes

SWAP Bid – a benchmark interest rate used by institutions

Temporary borrowing – borrowing to cover peaks and troughs of cash flow, not to fund spending

Treasury Management – the management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risk associated with those activities and the pursuit of optimum performance with those risks.

Treasury net – the Council's cash management system

Treasury Management Practices – schedule of treasury management functions and how those functions will be carried out

Treasury Management Strategy Statement – also referred to as the TMSS.

Voluntary Revenue Provision – a voluntary amount charged to an authority's revenue account and set aside towards repaying borrowing.

Working capital – timing differences between income and expenditure (debtors and creditors)

Joint Executive Advisory Board

11 January 2024

Comments on the Capital and Investment Strategy 2024-25 to 2028-29

At its meeting held on 11 January 2024, the Joint Executive Advisory Board (JEAB) considered a report concerning the Council's Capital and Investment Strategy 2024-25 to 2028-29. Bids in respect of the 15 proposed capital schemes outlined within the appendices to the report were a particular focus for the JEAB.

The Lead Specialist for Finance introduced the report and sought comments from the JEAB in respect of the capital bids. The following points arose from questions, comments and discussion relating to the bids for forwarding to the Executive:

Machinery for Grounds Maintenance at the Crematorium

This bid sought to renew vital grounds maintenance equipment as the machinery in question was nearing the end of its life and required replacing. It was not considered to be an option to not maintain the crematorium gardens of remembrance, where ashes were laid to rest. A total capital sum of £42,000 was sought over the period from 2024/25 to 2026/27. The JEAB indicated its support for the bid.

Wildfield Ballcourt

A capital sum of £30,000 in 2028/29 was bid for Wildfield Ballcourt in Wood Street Village. The Council had entered into a lease to install and maintain a ballcourt on land owned by Surrey County Council with the terms that the Council would remove the ballcourt at the end of the lease. The lease had expired and to avoid removing the ballcourt immediately, the Council was entering into a renewal of five years. Although the surface of the ballcourt was starting to show areas of wear, no maintenance costs, beyond the current routine safety checks and litter removal, were anticipated over the next five years. However, the need to incur repair costs after that time was expected. As visitor use of the ballcourt appeared relatively light, it was questioned whether there was sufficient community need to justify the intended work. The JEAB was advised that there would be opportunities to review the matter before the expenditure in 2028/29. This project would be subject to two business cases, the first to be added to the Provisional Capital Programme, and

the second to enable the scheme to proceed. It was felt that consultation associated with the project should demonstrate a community need, for the facility to continue.

Playground Refurbishments 2024 to 2029

This mandate sought approval to continue the capital programme for playground refurbishments from 2025 onwards to be used to support and supplement available S106 funds, where appropriate. The programme required a total capital injection of £800,000 split over the next four years. The JEAB supported the bid.

ICT

The ICT Team had submitted a bid in respect of replacement / purchases of IT user hardware (laptops, monitors etc.) and infrastructure hardware purchases. The annual Microsoft Enterprise Agreement (licensing and cloud usage charges) renewal would be funded from revenue for the near future. The JEAB accepted the bid.

Bedford Road Multi-Storey Car Park

There were structural issues associated with the brick clad wall at a high level on one corner of the car park. Sections of the brick cladding were loose and required immediate repair. Investigations indicated that sections of the brick cladding and surrounding reinforced concrete frame were failing due to water incursion from adjacent raised flower beds forming part of the flat development situated above the car park. Works were required to remove or tank these flower beds and ensure a safe access, followed by brick cladding and concrete repairs to the concrete frame. The estimated capital cost of the works was £150,000 in 2024/25. The JEAB supported the bid.

Crematorium Broadwater Cottage

Broadwater Cottage was a Grade II listed property located adjacent to the Council owned Crematorium on New Pond Road, and utilised for staff accommodation for the Council's Bereavement Services Lead. Although the cottage underwent substantial refurbishment works over recent years, including measures to mitigate structural issues with roof, the Council had subsequently been advised by independent structural engineers that larger scale structural repairs were required. There were no listed building or other restrictions to prevent the works which were estimated to cost £195,000 over two years. The JEAB endorsed the works.

Leapale Road Multi-Storey Car Park

There were structural issues associated with the brick clad wall at a high level on one corner of the car park. Sections of the brick cladding were loose and required immediate repair. Investigations indicated that sections of the brick cladding and surrounding reinforced concrete frame were structurally unsound. Works at a cost of £150,000 in 2024/25 were required to provide scaffold access and undertake repairs to the brick cladding. The JEAB was advised that funding remained in the Car Park Maintenance Reserves and therefore this bid did not represent a cost to the General Fund. The JEAB accepted the bid.

Slyfield Enterprise Estate

Whilst the Enterprise Estate remained popular with tenants and was fully occupied and income generating, the property had been built in the 1980s and was now nearing the end of its useful life and failing to meet the needs of modern light industrial occupiers and the minimum energy efficiency standards (MEES) for commercial property. Accordingly, Assets and Property officers were working towards comprehensive refurbishment or redevelopment to meet modern requirements and to enhance future rental income. It was envisaged that this process would commence in 2025/26 with preliminary work and planning and then progress to refurbishment / redevelopment in 2027/28, requiring total capital expenditure of £5,000,000 over the period. The JEAB supported the bid.

Slyfield Foundation Units

Slyfield Foundation Units comprised a multi-let estate consisting of 12 light industrial letting units. As with Slyfield Enterprise Estate, this property had been built in the 1980s and was experiencing all the same popularity and age related issues as the Enterprise Estate. Therefore, the Assets and Property team were also working towards comprehensive refurbishment or redevelopment to meet modern requirements and to enhance future rental income. It was anticipated that this process would commence in 2025/26 with preliminary work and planning and then progress to refurbishment / redevelopment in 2027/28, requiring total capital expenditure of £2,050,000 over the period. The JEAB endorsed the works.

Stoke Park Gardeners Cottage

The Gardeners Cottage was a detached dwelling house located in Stoke Park, Guildford. The Cottage was utilised for staff accommodation and was currently

occupied. Whilst the Cottage had undergone a series of planned and reactive roofing repairs in recent years, the roof had come to the end of its useful life expectancy and replacement was required at a capital cost of £100,000 in 2024/25. The JEAB accepted the bid.

Billings Roof Replacement

The Billings was a detached brick built former printing works constructed in 1856 and subsequently converted into office units and one warehouse unit. The property formed part of the Council's investment portfolio and was currently let on various leases. The slate roofs at the Billings had come to the end of their useful life expectancy and therefore required replacement. The roof to Unit 4 had been replaced last year and this bid covered the replacement of roofs to Units 1, 2 and 3 at a capital cost of £400,000 over the 2025/26 and 2026/27 financial years. The JEAB endorsed the bid.

Sydenham Road Car Park

Adjacent to the car park was 12 Trinity Cottage, the owner of which had raised two issues with the Council in relation to the repair and replacement of a party wall and damage to the gable wall of number 12 due to the adjacent Council owned car park. The project was required since initial investigation had indicated that the failing brick wall was likely to be a party wall issue and so jointly owned by the Council and the owner of 12 Trinity Cottage. As such, the Council was likely to be responsible for an apportionment of the costs for rebuilding / repairing the wall. Moreover, the raising of levels to form the car park had potentially led to structural and damp issues to the gable wall of 12 Trinity Cottage. The owner of the Cottage had appointed a local firm of surveyors and engineers and had contacted the Council regarding the above matters. The Council's capital bid towards the works was £50,000 in 2024/25. The JEAB supported the bid.

Investigation and Works to Underground Shelter

An area of open space in Guildford, believed to be an underground shelter dug during World War 2, required investigation. The project sought to establish the full extent of the structure and understand its condition with the possibility of filling the structure to avoid the risk of collapse and potential danger to the public, and return the area to good order. The capital bid of £20,000 would provide funds to pay for the works under the Council's Civil Engineering Contract at the direction of the Council's Engineers. The JEAB approved the bid.

Guildford Bus Station

The Council was responsible for the concrete surface deck and drainage at the Bus Station, which was located adjacent to and partly above the Friary Centre. The deck surfacing and drainage had failed and were allowing water ingress through the concrete deck into the basement car park and electrical substation below. During heavy downpours the basement car park and substation flooded, causing a health and safety risk in addition to making the basement unusable. Whilst some previous repairs had assisted to mitigate the flooding, the leaks remained an issue and immediate work was required to diagnose the cause(s) of the water ingress and resolve the matter. Also, a complete resurfacing of the bus station was needed for long term protection of the deck and column structure underneath. These further works were seen as a matter of urgency and the Council was being pursued by the owner of the freehold beneath the deck to progress them as such.

The North St Development project included an upgrade and refurbishment of the Bus Station in around 2-3 years' time. When these works took place, the Council would have an opportunity to undertake long-term infrastructure repair works to the surface of the bus station. The works proposed now appeared to link in with the proposed redevelopment enabling work to be carried out in tandem.

The capital bid sought £50,000 in 2024/25 and 500,000 in 2026/27. This included £12,000 to be made immediately available to facilitate the appointment of an external consultant(s) to undertake a full survey and provide a report to diagnose the cause(s) of the water ingress and solutions. The appointed consultant would also be asked to provide cost estimates for the proposed works to facilitate a total resurfacing project.

A councillor welcomed a correlation in the report between the proposed Bus Station redevelopment and the interim works the subject of this capital bid. However, it was felt that the report did contain information in respect of the related dependencies and project work in tandem. The Lead Specialist for Finance agreed to review the wording in the bid document and improve its clarity if necessary.

Stoke Cemetery

A section of the Cemetery was waterlogged affecting graves and the main pedestrian footpath. The Council's engineers had developed a draft proposal to divert water to a pre-existing drain, which required the approval of the

Environmental Agency. The engineers required a topographic survey to inform their proposal for the application to the EA and the application also needed to be accompanied by a tiered site assessment. The project aimed to solve the health and safety issues associated with this leak with capital expenditure of £80,000 in 2024/25. A Councillor queried the accuracy of the name quoted in section 7 of the bid and officers undertook to check this with the bid author and make a correction if necessary.

Generally, councillors acknowledged that the proposed works the subject of the capital bids seemed absolutely necessary. As much of the proposed work was linked to water incursion and roof repairs, it was felt that this situation would be exacerbated in the future due to Climate Change.

Having been invited to comment on six recommendations which would be considered by the Executive at its meeting on 25 January 2024, the JEAB indicated its support for all six recommendations and agreed that its above comments be forwarded to the Executive.

CORPORATE GOVERNANCE & STANDARDS COMMITTEE
18 JANUARY 2024
CAPITAL AND INVESTMENT STRATEGY 2024-25 TO 2028-29

The Committee considered a report on the Council’s capital and investment strategy, which gave a high-level overview of how capital expenditure, capital financing and treasury management activity contributed to the provision of local public services along with an overview of how associated risk was managed and the implications for future financial sustainability.

Decisions made now, and during the period of the strategy on capital and treasury management would have financial consequences for the Council for many years into the future. The report therefore included details of the capital programme, any new bids/mandates submitted for approval plus the requirements of the Prudential Code and the investment strategy covering treasury management investments, service investments, and commercial investments. The report had also covered the requirements of the Treasury Management Code and the prevailing DLUHC Statutory Guidance.

The Committee noted that in order to achieve the ambitious targets within the Corporate Plan, the Council needed to invest in its assets, via capital expenditure, which was split into the General Fund (GF) and Housing Revenue Account (HRA).

All projects, regardless of the fund, would be funded by capital receipts, grants and contributions, reserves, and finally borrowing. When preparing the budget reports, it was not known how each scheme would be funded and, in the case of regeneration projects, what the delivery model would be. The report showed a high-level position. The business case for each individual project would set out the detailed funding arrangements for the project.

The Committee noted that some capital receipts or revenue income streams might arise as a result of regeneration schemes, but in most cases the position was currently uncertain, and it was too early at this stage to make assumptions. It was likely that there would be cash-flow implications of the development schemes, where income would come in after the five-year time horizon of the report and the expenditure incurred earlier in the programme.

The Committee also noted that Prudential Indicators were set to ensure that the Council could demonstrate that its capital expenditure plans were affordable, sustainable, and prudent.

The Council had an underlying need to borrow for the General Fund capital programme of £202 million between 2023-24 and 2028-29. Officers had put forward bids, with a net cost over the same period of £9.8 million, increasing this underlying need to borrow to £211.8 million should these proposals be approved for inclusion in the programme.

The capital programme included several significant regeneration schemes, which it was assumed would be financed from GF resources. Detailed funding proposals for each scheme would be considered when their Outline Business Case was presented to the Executive for approval.

The main areas of expenditure (shown gross), as set out in the report, were:

- £258 million Weyside Urban Village (WUV)
- £35 million Ash Road bridge and footbridge (Total gross cost £44 million, external funding, £36 million, net cost to GBC £8 million)

The report contained a summary of the new bids submitted and the position and profiling of the current programme (2023-24 to 2028-29).

The HRA capital programme was split between expenditure on existing stock and either development of or purchase of new dwellings to add to the stock. A lot of work had been done on stock condition surveys and the results were being analysed with a view to having a robust stock condition assessment which would provide 100% stock data over a rolling 5-year programme and allow for effective assessment against Regulatory and legislative standards.

Improved building safety standards across social housing had resulted in a national drive to improve standards and safety, Guildford had started to respond to this and had spent a significant sum on its properties. The budget for 2024-25 and ongoing would see budgets return to more modest levels seen in the past. The capital programme would be funded from HRA capital receipts and reserves. The programme also included £121 million between 2023-24 and 2028-29 for development projects to build or acquire new housing (including WUV). Officers had recommended removing the Bright Hill scheme from the HRA programme, as previously reported to Councillors, due to the change in the scope of the scheme being delivered.

The main areas of major repairs and improvement expenditure were:

- refurbishment, replacement & renewal programme of existing stock, £1.3 million, which included kitchen & bathroom upgrades, void property refurbishment and roof works

- works to existing stock to comply with changes to standards and legislation, £3.4 million, including replacement fire doors, electrical testing and fire protection works
- mechanical and electrical works £400,000, including central heating systems
- other works of £1.2 million including disabled adaptations

The main HRA development projects were:

- Guildford Park Car Park: £39 million
- WUV: £49 million
- Foxburrows: £11 million

The Committee was informed that officers carried out the treasury management function within the parameters set by the Council each year and in accordance with the approved treasury management practices.

The budget for investment income for 2024-25 was £3 million, based on an average investment portfolio of £86 million, at a weighted average rate of 5%. The budget for debt interest paid was £14.8 million, of which £5.4 million related to the HRA and £7.9 million was being capitalised and added to the cost of schemes in the capital programme, which was a net cost to the General Fund of £1.5 million for the year.

The Committee noted that councils could invest to support public services by lending to or buying shares in other organisations (service investments) or to earn investment income (commercial investments, where earning a return was the primary purpose).

Investment property had been valued at £178 million, as per the 2022-23 unaudited Statement of Accounts, with rent receipts of £9.2 million, and a yield of 5.7%. In line with the Government's guidelines, the Council was not making any future purchases solely for yield.

The Council had also invested £25.3 million in its housing company North Downs Housing Ltd (NDH), via 40% equity to Guildford Borough Council Holdings Ltd (£10.1 million) who, in turn, passed the equity to NDH, and 60% repayment loan direct to NDH (£15.3 million) at a rate of 5%.

The report had also included the Council's Minimum Revenue Provision (MRP) policy, the Prudential Indicators and the updated flexible use of capital receipts policy. This policy, if approved at Council, would permit the use of any capital receipts received in year to be used to fund any service transformation costs incurred in the same year.

The Committee noted the comments and recommendations of the Joint Executive Advisory Board which had also considered this report at its meeting held on 11 January 2024, particularly with regard to the proposed new capital bids.

The Lead Councillor for Finance and Property commented that a significant part of the £18 million gap in the medium-term financial plan at the start of this financial year, had been due to debt servicing costs. Overall debt at that time was around £300 million and was projected to rise over to over £600 million by the end of the decade. This revised Capital and Investment Strategy represented a reduction in capital expenditure of approximately £100 million. The significant reduction in debt servicing costs over the medium-term financial plan period was a critical part of the Council's Financial Recovery Plan

During the debate, the Committee made the following comments:

- In response to a question as to whether there was a clear definition of what was permitted in terms of local authorities earning investment income, the Lead Specialist (Finance) explained that the Section 151 Officer was required to sign off investment income of any kind. Any borrowing from the Public Works Loan Board now required a great deal more information to be provided in terms of the purpose for which any loan was required.
- Inadequate scrutiny of the budget process, particularly in view of the previous mistakes made. In response, the Lead Councillor for Finance & Property indicated that many of the more detailed aspects of the budget had been discussed at the Financial Recovery Executive Working Group. It was also noted that the current arrangements for consideration of draft budget papers had not changed over the past five years.
- Proposals to reduce the Council's overall borrowing by approximately £100 million over the next few years was welcomed. Noting the Arlingclose interest rate forecast of a reduction to around 3% by early to mid-2026, officers were asked to comment on the impact of such a reduction on the Council's finances in the medium-term. The Lead

Specialist (Finance) indicated that prudent assumptions had been made in respect of interest rates on borrowing in the medium-term so that in 2025-26, it was anticipated that interest rates would reduce from 4% to 3.5%

- The level of detail in the mandate proposals in respect of each of the growth bids was welcomed.
- There were errors in the tables in paragraph 8.20 of the report and paragraph 4.16 of Appendix 1 to the report (Capital Expenditure Summary) in relation to HRA Capital Expenditure for 2023-24, which would be corrected by officers.

Having considered the report, the Committee,

RESOLVED: That the recommendations to the Executive and Council in respect of the Capital and Investment Strategy, as set out in the report submitted to the Committee, together with the comments referred to in the debate and summarised in the bullet points above, be endorsed.

Reason:

To enable the Council at its budget meeting on 7 February 2024, to approve

- the capital and investment strategy for 2024-25 to 2028-29; and
- the funding required for the new capital investment proposals.

Guildford Borough Council

Report to: Council

Date: 7 February 2024

Ward(s) affected: All

Report of Director: Community Wellbeing and Transformation & Governance

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Report Status: Open

Housing Revenue Account (HRA) Budget 2024-25

1. Executive Summary

- 1.1 The Council owns and manages over 5,200 Council houses which it rents to tenants who qualify for social housing or for which it holds the freehold. The Housing Revenue Account (HRA) is the ring-fenced account within which the Council records the income and expenditure for its operations as landlord to its residents and for the day-to-day management, repairs and maintenance of the council housing stock. This report outlines the proposed Housing Revenue Account (HRA) budget for 2024-25, which has been built on the estimates and assumptions in the updated 2023 HRA Business Plan. The Business Plan has been reviewed to reflect changes in relevant legislation and guidance, along with consideration of the Council's declaration of a Climate Emergency and the ongoing challenges of the wider operating environment.

- 1.2 The Direction on the Rent Standard 2019 required the Regulator of Social Housing to set a rent standard for social housing which came into effect from 2020, which would have been CPI +1% from the preceding September rate, this equates to 7.7% and is the recommended rent increase for the year. This rate is to also apply to those in Shared ownership.
- 1.3 A 5% increase in garage rents is proposed which is in line with the wider Council policy on fees and charges.
- 1.4 The report includes overall details of the proposed investment programme for the properties that are managed within the HRA, additional details of this work are set out within the Capital and Investment Strategy which is to be considered separately on this agenda.
- 1.5 The HRA annual budget and HRA business plan assumes that any surpluses on the HRA are used to invest in redevelopment and upgrading of the existing stock, invest in new build affordable housing to be retained and rented by the Council within the HRA and then if there are sufficient monies available, the repayment of debt taken on under HRA self-financing.
- 1.6 The 30-year business plan, presented as part of the budget papers in January 2023 showed that there were sufficient resources within the HRA to carry out the Council's investment plans as well as repay the debt over the 30-year business plan period and still leave a healthy reserve balance at the end of the 30 years for further investment not yet identified. There are further expected investment needs that are to be fully developed in order to meet carbon targets and expected regulatory changes, and work on these continues and they are not yet fully reflected within the current plan, but they will be considered in future reviews.
- 1.7 This report has also been considered by the Joint Executive Advisory Board at its meeting on 11 January 2024. The Board's comments are set out in section 16 of this report. At its meeting on 25 January 2024, the Executive also considered this report and endorsed the recommendations to Council set out below.

2. Recommendation to Council

- 2.1. That the proposed HRA revenue budget for 2024-25, as set out in **Appendix 1** to this report be approved.
- 2.2. That a rent increase of 7.7%, be implemented.
- 2.3. That the fees and charges for HRA services for 2024-25, as set out in **Appendix 2** to this report, be approved.
- 2.4. That a 5% increase be applied to garage rents which is in line with the wider Council policy on fees and charges.

3. Reason for Recommendation:

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

4. Exemption from publication

- 4.1. None.

5. Purpose of Report

- 5.1. This report provides a position statement on the 2024-25 draft budget and makes recommendations to the Council on the Housing Revenue Account (HRA) revenue budget. Details of the HRA capital programme are set out within the Capital and Investment Strategy, which is to be considered separately on this agenda.

6. Strategic Priorities

- 6.1. The HRA Budget reflects the Council's vision, as set out within the 2021-2025 Corporate Plan, to support residents to have access to the homes and jobs they need by providing and facilitating housing that people can afford, helping to protect our environment and empowering communities and supporting people who need help.

7. Background

- 7.1. The ongoing regime of self-financing arrangements introduced in 2012, empowers the Council to optimise its resources in management of its social housing services. The HRA Business Plan sets the framework upon which the revenue budget and proposed Housing Investment Programme are prepared.

Budget and Business Plan Priorities

- 7.2. The budget and Business Plan have been prepared having consideration to 4 main themes:
- A safe place to live – Investment in our housing stock to meet and exceed fire and building safety standards including new fire detection and protection works, upgrading and replacing electrical installations, new fire doors, replacing lifts.
 - Environmental and Energy Efficiency – Improving energy efficiency with new doors, windows, insulation, heating and hot water systems. Rolling out a programme of environmental improvements to our estates and communities including landscaping, parking with increased inspection and investment.
 - Availability and suitability – Providing a range of housing that helps meet the needs of the community, including supported and sheltered housing, additional homes through regeneration, purchase and development.
 - Customer Service and Accessibility – Improving choices, information and communication with residents, with enhanced contact handling, monitoring and feedback. Targeted support for vulnerable tenants, specifically those struggling with maintaining their tenancies, hoarding, debt and benefits. Expanding opportunities for residents to influence and be involved in services through widening opportunities for feedback and engagement for more tenants.

- 7.3. These priorities have been developed having consideration to the Government's White paper, changes in the regulatory and legal framework within which the service operates, and the Council's overall objectives.

The HRA Business Plan

- 7.4. The objective of the Business Plan is to optimise HRA resources to ensure quality, suitable accommodation for residents, stock growth and to transfer surpluses to the various reserves for future investment in pursuance of its business. It is not limited to management of the housing stock, but also wider issues such as community development and improving the environment.
- 7.5. The Business Plan not only concentrates on the financial related strategy and objectives, but also the service priorities of the Council's Landlord function to its tenants and leaseholders. The longer-term perspective is crucial to ensure that the service and its primary assets, the housing stock, are fit for purpose for the whole period of the plan and beyond.
- 7.6. The Plan is based on stock condition data and the regulatory framework in which the Council operates as a social landlord. It also considers the Government's white paper "The Charter for Social Housing Residents" which sets out key areas of service and involvement that every social housing tenant should expect.
- 7.7. The proposed changes will strengthen existing services and will support the Council in improving the safety and quality of our homes, improve local communities and to create increased opportunities for residents to become involved. It also looks to enhance the communal areas, open and green spaces within the estate.

Potential pressures

- 7.8. Nationally since the self-financing arrangements were established the economic and fiscal environment has been generally favourable to the HRA. This has, however, changed dramatically with the combined impact of the Pandemic, the war in Ukraine, increases in energy costs, increasing safety requirements, the current cost of

living crisis, and the increased levels of inflation. Together these and other factors have created unprecedented pressures, risks and uncertainty that impact upon the Council's ability to undertake medium term financial planning, particularly when the planning horizon for the HRA Business Plan is 30 years.

- 7.9. These factors, combined with the Council's continued aspirations for its housing stock and its management, have been taken into consideration when setting the HRA Budget 2024-25 and the HRA Business Plan.
- 7.10. The Council does not operate as a commercial landlord with clear obligations and duties as a social landlord, this means that many of our residents are supported by other agencies and organisations. As a result of this wider pressures on social and healthcare services mean that residents are experiencing challenges in accessing services, and some provision has become difficult to access. As a result, the complexity and cost of managing tenancies and providing services is seeing continued pressure as we are forced to deal with situations we are less well equipped to manage.
- 7.11. The economic situation continues to have an impact and despite government support, there is an increased demand for social housing, which puts pressure on our limited resources and time in responding to this new demand.
- 7.12. Following the tragic events at Grenfell, the Government has rightly continued to focus on the health and safety of residents and has introduced new legislation and guidance in a range of areas. To ensure compliance with new legislation and guidance the Council is undertaking its widest ranging programme of works to improve the health and safety of residents that will exceed current statutory requirements. To achieve this will require a continued investment in the capital programme for major works to the existing stock, with work covering fire safety and precautions delivered in partnership with Surrey Fire and Rescue.

- 7.13. The funding framework available to meet the cost of supported housing remains fragile. In 2023-24 we received just £207,761 in Supporting People Grant funding.
- 7.14. The Council's duty to provide support and assistance with housing to residents is resulting in an ongoing rise in the number of households at risk. Many of those at greatest risk, not only have housing issues but also have a range of complex needs. Together they are placing greater demands on the Housing Service that in turn flows through to the teams managing our properties and their residents.
- 7.15. The wider social housing sector continues to become increasingly commercial. Some housing associations are focusing on minimising risk by being selective as to whom they house, and they are also moving to rents that are higher than those charged by the Council despite their large portfolio of properties. The Council is fortunate to have retained its stock, which gives us greater flexibility in helping those in housing need. It does, however, create a cost pressure.
- 7.16. Shared ownership properties enable residents to join the home ownership ladder, but for some the reality is that they are unable to staircase (acquire further equity shares) or move to a larger property as their household grows. Expanding this stock is not currently a priority for the Business Plan; however, this will be revisited when the opportunity arises to develop larger sites. In such cases, shared ownership in most cases will contribute to the overall viability of large developments and does assist many households in meeting their housing need.
- 7.17. The estimates, consistent with the Business Plan, continue to attach a lower priority to the repayment of debt principal inherited as part of the self-financing HRA settlement, reflecting the Council's determination to provide new additional affordable homes and increase the investment in housing stock.
- 7.18. The last few years have presented unique challenges for managing our housing stock and as a result we have been unable to undertake all of the work that we would have expected to the homes we

manage. This budget continues with the work started last year to help redress that issue.

8. 2024-25 revenue and capital programme budget

- 8.1. The 2024-25 budgets have been prepared having regard to the recent policy announcements and the impact they might have. At the same time, we are conscious of various cost pressures along with the implications of our debt financing profile.
- 8.2. The Capital and Investment Strategy (separate item on the agenda) sets out the approved and provisional HRA capital programme along with a financing strategy (HRA Resources). The programme reflects the latest information we have on the condition of the stock and the developing asset management framework for our housing stock.
- 8.3. In preparing the HRA revenue budget, officers continue strategies undertaken in previous years to ensure we provide value for money for our residents. In particular:
 - We will continue to evaluate all staff posts that fall vacant to determine whether it is appropriate to recruit to the role or whether an alternative approach could be considered,
 - Increasing use of IT, remote working, and virtual meetings continues where appropriate, and are delivering benefits for the service,
 - The Allpay system and mobile payment App has being useful, particularly with remote working, in our drive for rent collection,
 - Rent collection analytics technology has helped colleagues focus and manage rent collection,
 - Introduction of new technologies such as Salesforce and the Choice Based lettings system as part of our Future Guildford Programme continues to deliver service efficiencies and benefits to tenants,

- As part of the ICT and Digital change programme for the Council, officers will look to upgrade or replace systems that deal with housing and asset management over the medium-term period.

Budget assumptions

- 8.4. The total HRA debt stands at £167 million. It is projected that the interest charge for 2024-25 will be £5.35 million. No provision is included in the budget for the repayment of debt during 2024-25 in line with the overall HRA business plan strategy that building homes rather than debt repayment is the priority.
- 8.5. The revenue budget for 2024-25 is predicated around a number of key assumptions. The most important of which are set out in the table below.

Item	Assumption
Opening stock - Units of Accommodation	5,243
HRA external borrowing	£157 million
September CPI %	6.7%
Recommended Rent increase CPI + 1%	7.7%
Actual Rent Increase + 1%	7.7%
Garage income increase	5.0%
Bad debt provision 2024-25 2%	£693,077
Void / empty homes rate	4.7%
Service charge increases	Linked to contractual arrangement with suppliers
Housing units lost through Right to Buy (RTB)	25 per annum
Retained receipts	Held in reserves

Item	Assumption
HRA ring fence	Policy of strong ring fence continues
Debt repayment	No provision made for the repayment of debt
Operating balance	£2.5 million

8.6. The proposed budget set out in Appendix 1 is based on a 52-week rent year.

8.7. Rents will increase by 7.7%, which is in line with the government guidance in 2024-25.

Summary of Revenue Account Budget 2024-25

8.8. The table below summarises the proposed 2024-25 revenue budget, which reflects our current Treasury Management Strategy – in effect an interest only mortgage rather than a repayment mortgage. The timing of debt repayment will largely be a treasury management decision aligned to the overarching objectives of the HRA Business Plan.

Gross Expenditure alternatively analysed as:	£'000	
Direct cost of managing and maintaining the stock	15,729	51%
Depreciation	6,500	21%
Other	3,375	11%
Interest payable	5,359	17%
Transfer to reserves (surplus)	7,816	
Total expenditure	38,779	

Received from:	£'000	
Council house rents	34,840	90%
Interest receivable	606	2%
Other rent income	1,352	3%
Fees, charges and miscellaneous income	1,981	5%
Total income	38,779	

- 8.9. Based on the assumptions as contained in paragraph 8.5 and as summarised in the table above it is estimated that the HRA will have an operating surplus of £7.816 million for 2024-25 which is reflected in the tables above by the proposed transfer to reserves. The reserves will be used to fund the capital programme for major repairs and investment in existing stock as well as the development of new build housing.
- 8.10. Spend on managing and maintaining the stock equates to 51% of the expenditure incurred in the HRA, 21% depreciation which is put aside for future works to properties and 17% for interest costs.

Expenditure

- 8.11. Expenditure details are set out within Appendix 1, but additional information and background is set out below.

General Management

- 8.12. Budgeted expenditure on delivering continuing HRA services has increased on the previous year's budget, reflecting growth in services in response to the Government's Housing White paper and changes in the regulatory and legal framework. A number of key areas and initiatives have been identified such as:

- Increased support for vulnerable tenants to help maintain their tenancies and to co-ordinate the service's safeguarding role for those households at risk.

- Increased support to work with tenants and partners in dealing with and preventing increasingly complex anti-social and criminal behaviour.
- Increased support for the number of households who continue to move to Universal Credit and to support tenants to avoid rent arrears whilst increasing rent collection, including Discretionary Housing Benefit top up.
- Broaden opportunities for resident engagement and involvement.
- Increase in capacity to ensure compliance with evolving regulatory and compliance framework.
- Improving choices, information, and communication with residents, with enhanced contact handling, monitoring and feedback.
- Expanded building safety and compliance roles to meet current and planned legislative and regulatory changes.
- Improve estate management with improvements to landscaping, paved and communal areas.
- Increase in capacity to deliver both additional housing and also the redevelopment of existing properties.

8.13. **Repairs and maintenance:** This budget covers a wide range of work including minor adaptations, day to day repairs across all housing types along with cyclical works.

8.14. **Interest payable:** The whole portfolio is at a fixed rate from PWLB, with varying maturity dates. The table below sets out our current loan portfolio with a bullet payment option or renegotiate at the end of their various terms. The total differs by the assumption as there is £10 million maturing in March where it has not yet been decided whether it will be rolled over or not.

Maturity timeframe	Principal amount	Proportion
Less than 10 years	£110,000,000	66%
10-15 years	£25,000,000	15%
15-20 years	£32,435,000	19%
Total	£167,435,000	100%

Depreciation:

- 8.15. To safeguard future rental streams, we need to ensure our properties and assets are adequately maintained. This will involve the replacement of ageing components at the appropriate time. In order to do so, it is important that we set aside adequate funds each year to meet future liabilities.
- 8.16. The depreciation charge is one of the key mechanisms we use to do this. The proposed 2024-25 charge represents, in officers’ view, a realistic amount having regard to the outcome of the stock condition survey. A charge of £6.5 million is considered both appropriate and affordable.

Income

- 8.17. The Secretary of State made a Direction on 25 February 2019 under powers set out within section 197 of the Housing and Regeneration Act 2008 which required the regulator of Social Housing to set a new Rent Standard for social housing including that owned and managed by local authorities with effect from 1 April 2020.
- 8.18. This framework meant that as a landlord the Council would be able to increase rents by CPI +1 and the Business Plan was developed having reference to this. The increase for 2024-25 is therefore 7.7%.
- 8.19. For those in shared ownership the Council is proposing to increase by 7.7% in line with the general needs rent.

- 8.20. Currently just over 60% of Council tenants are in receipt of either Housing Benefit or Universal Credit the majority will have their rent covered in full by these benefits, whilst just under 40% may have had their income assessed and will not be eligible for any assistance as their income will have been considered sufficient to be able to meet their housing costs. For those eligible, the proposed increase will have the additional cost covered by their benefits.
- 8.21. Approximately 92% of tenants are on social rents and the average expected change to their weekly rent on average will be £9.57. Based on the proposed 7.7% rent increase, this will give an estimated income of £34.4 million for the coming year.
- 8.22. Arrears levels for Council housing are generally low with about 1% in arrears which is well below levels in most social housing. This would indicate that for most households their rents remain affordable. The majority of arrears cases are associated with households who have moved to Universal Credit, and they make up more than 65% of arrears although again in most instances these arrears are at relatively low levels, with just 15 accounts with arrears in excess of £2,000.
- 8.23. A provision for bad debt charge of £693,077 is included in the estimates. This charge will remain under review, but it is considered appropriate - it represents 2% of the annual tenanted income.

Right to Buy (RTB)

- 8.24. RTB activity remained steady during 2023-24, and the Council has in place a formal agreement with the Government regarding the use of the capital receipts arising from the sale of Right to Buy properties.
- 8.25. The table below outlines activity as at December 2023.

Activity	Number
Properties sold since 1 April 2023	16
Applications being processed	30

- 8.26. Under the agreement receipts will be accounted for annually rather than quarterly and the Council is able to fund up to 40% of additional social housing from the receipts. The time limit for using the funds is now 5 years. However, going forward a limit has been introduced for buying existing properties on the open market and this is being phased in over a 3-year period. Whilst up to 40% of the cost of a development can be financed from this source, we must finance the balance from capital receipts or other sources including reserves accruing from the appropriation of revenue account surpluses. Our current development plan fully commits the one-for-one retained receipts we have accumulated to date. The ambition remains to utilise the receipts we are anticipating in future years.
- 8.27. On current levels of activity, we project a loss of units to be in the region of 15-25 units per year. Our new build and property acquisition programme is helping mitigate the impact of the ongoing right-to-buy programme, but it is unfortunate there are, to date, no proposals to amend the scheme in order to prevent the ongoing loss of much needed social housing in the area.
- 8.28. RTB Sales have three negative impacts:
- Reduction in the number of affordable homes.
 - Removal of the long-term positive contribution each property makes to our operating costs.
 - Increase in the unit costs of managing and maintaining properties, as invariably tenants buy the better properties.

HRA capital programme and reserves

- 8.29. Full details of the Capital Programme are set out within the Council's Capital and Investment Strategy which is to be considered separately on this agenda. This strategy and the Business Plan are based around four strands which are:
- replacing ageing components such as roofs and kitchens.

- improving and enhancing existing properties – for example, installing double glazing.
 - stock rationalisation – Replace or redeveloping properties.
 - expansion – the provision of new additional affordable homes.
- 8.30. Key issues that have been considered as part of the overall development of the budget have included changing wider economic position, continuing to work through the impact of Covid and the suspension of capital programmes etc. To continue to meet targets for these planned programmes we continue with the catch-up work which was started in the last financial year in order to ensure we remain on track with maintaining existing homes.
- 8.31. In addition to these areas and with additional background and detail being provided within the Capital and Investment Strategy we continue to invest in properties to ensure the safety of residents and this approach is now being influenced by the new and developing fire and building safety legislation, guidance, and good practice.
- 8.32. The Council has developed its approach to ensure ongoing compliance with the changing requirements and relevant standards and all Fire Risk Assessments have been reviewed and the new work plan that has resulted from this will continue to be delivered through this programme. The risk assessments reflect both changing legislation and good practice that has developed and continues to develop over the last few years.
- 8.33. This investment represents the Council’s continued commitment to ensure that the homes that the Council manages meet not only the legislative requirements but also reflect good practice in ensuring the health and safety of residents.
- 8.34. The Council continues with its programme of delivering additional affordable homes with full details of the proposed programme again set out within the Capital and Investment Strategy.
- 8.35. Our investment in improving the energy efficiency of properties continues with new heating systems, low energy lighting, insulation

and new door and windows. Whilst provision has been included to improve the energy efficiency new technology continues to be developed, in many instances the cost of this technology remains high although it is reducing.

- 8.36. In order to reduce carbon emissions and improve energy efficiency work is underway to develop a programme of work that will allow the Council to move towards meeting its targets in coming years but also having consideration to expected predicted cost and the availability of suitable technology. Once completed this work will then be integrated into the future HRA Business Plan. This is, however, a complex and challenging area, and there is no 'one size fits all' approach; national research by the Building Research Establishment estimates that it will cost between £3,000 and £70,000 to make a property zero carbon, with an average of more than £20,000 needed for each property. Whilst some provision has been made within the plan the way in which targets will be met and the cost of this work has yet to be established. In addition to which there is a need to consider the impact of such a wide-ranging plan on residents.
- 8.37. The funding sources that will enable us to deliver the expanded capital programme are as follows:
- HRA rental stream.
 - Capital receipts generated from the disposal of HRA assets including land and right to buy sales.
 - HRA reserves.
 - HRA borrowing.
- 8.38. The HRA has built up significant revenue reserves which, at 31 March 2024, are estimated to be in the region of £71 million. These can be used for specific HRA related purposes. It is proposed that these reserves are set aside to support the major repairs and improvements and new build programme as set out within the Capital and Investment Strategy and also in anticipation of future requirements.

The HRA also has usable capital receipts, generated from the sale of HRA land and housing assets.

8.39. The table below shows the available reserves that can support the HRA Business Plan. The contribution into the reserve for future capital programmes is maintained.

Year ended	Future capital	Major repairs	New build	Total reserves	Capital receipts	141	Debt	Total capital receipts	Total resources
2022/23	32,609	6,426	66,068	105,103	0	6,182	5,859	12,041	117,144
2023/24	18,775	0	69,632	88,407	300	7,638	6,004	13,942	102,349
2024/25	20,325	0	66,690	87,015	156	2,870	6,856	9,882	96,897

8.40. The business plan is most sensitive to the following assumptions:

- income trends
- legislative changes
- inflation rates
- cost of debt
- capital investment
- right-to-buy sales
- Covid-19

8.41. The current development programme can be financed, and debt repaid over the course of the 30-year Business Plan. At the end of the 30-year period, the plan shows there will still be substantial reserves available for further investment and also to support the Council’s net zero target and new build on plans which have yet to be developed. The ability to identify further plans will be reliant on the availability of land to be released for such purposes under the provisions of the Local Plan.

8.42. Right to buy receipts are being applied to current and proposed new build schemes to minimise the risk of repayment of such receipts.

This will enable the retention of future one-for-one receipts, with a reduced risk of repayment, pending the identification of new sites¹.

- 8.43. A combination of usable one-for-one receipts, and the new build reserve will be used to fund a number of schemes on the approved capital programme. Where appropriate, investment will be supplemented by appropriate borrowing.

Development Projects

- 8.44. An update of our current development projects shall be provided during the year.

Existing housing stock

- 8.45. Based on an analysis of our stock condition data, as outlined above and within the Capital and Investment Strategy the budget reflects the proposed investment programme.

Robustness of the Budget and Adequacy of Reserves

- 8.46. Section 25 of the Local Government Act 2003 requires the Chief Finance Officer to report on the robustness of the budget and adequacy of the proposed financial reserves.
- 8.47. Paragraph 7.2 above details the assumptions used in the preparation of the 2024-25 budget.
- 8.48. Staffing costs have been included based on the Full Time Equivalents (FTEs) included in the approved establishment of 77.5.
- 8.49. Throughout the budget process, the Corporate Management Board, the Leader and relevant lead councillors have been involved in what is considered to be a deliverable budget.

¹ The Council has entered into an agreement with the Secretary of State whereby it is allowed to retain an element of the capital receipts that it receives from Right to Buy sales. Under the terms of the agreement, these receipts must be used to finance up to 40% of the cost of replacement social housing within five years, otherwise the retained receipts must be repaid to the Department for Levelling Up, Housing and Communities with interest.

- 8.50. A prudent assessment of income has been made and only income that has a high level of certainty of being received is included within the budget. The 2024-25 budget includes a bad debt provision of £693,077. This provision reflects the economic climate and continuing welfare reform changes. The level of operating balance remains unchanged at £2.5 million.
- 8.51. Service level risk assessments have been undertaken for both existing major areas of the budget and mitigating actions have been taken and monitored in the course of the year.
- 8.52. The overarching HRA business plan reflects the changing financial environment in which it needs to operate and to ensure the business plan remains fit for purpose. The HRA will continue to need to balance tenants' needs and expectations in the context of its financial situation.
- 8.53. The housing related reserves are adequately funded and are projected to be around £76 million as at April 2024. The HRA reserves shall be engaged on value adding expenditure to maintain earnings growth and business stability.

9. Consultations

- 9.1. The Council remains committed to working co-operatively with Council tenants and leaseholders to shape, strengthen and improve council housing services and to set out a range of options to enable housing customers to be involved.
- 9.2. All tenants will be notified of changes to their rent and service charges in February/March 2024.

10. Key Risks

- 10.1. These have been detailed throughout the report.

11. Financial Implications

- 11.1. These have been detailed throughout the report.

12. Legal Implications

- 12.1. The HRA is a separate account that all local authorities with housing stock are required to maintain. This account contains all transactions relating to local authority owned housing. The Local Government and Housing Act 1989 prohibits the Council operating its HRA at a deficit. The proposed balanced budget meets this obligation.
- 12.2. Notices of any increase in rent have to be sent to tenants 28 days in advance of the new charges coming into effect.

13. Human Resource Implications

- 13.1. The decision to review and where necessary to freeze or delete vacant posts is outlined within the report and where appropriate additional roles are set out within the report and all relevant decisions and actions will be undertaken in line with the appropriate Council HR policies and procedures.

14. Equality and Diversity Implications

- 14.1. There are no equality and diversity implications arising from this report.

15. Climate Change/Sustainability Implications

- 15.1 The Council has declared a Climate Emergency and it is essential that we continue to develop and improve our housing and services to meet the targets that the Council has set, and this budget builds on existing work by increasing investment to increase energy efficiency whilst also looking to reduce carbon emissions.
- 15.2 Whilst there are no direct implications as a result of this report, the expenditure on both the revenue and capital programmes could have implications (see paragraphs 8.35 and 8.36 above).

16. Joint Executive Advisory Board comments

- 16.1 The Joint Executive Advisory Board (JEAB) was invited to consider a report outlining the HRA budget for 2024-25 at its meeting held on

11 January 2024. The report was introduced and presented by the Lead Specialist for Finance.

- 16.2 The Leader of the Council and Lead Councillor for Housing sought to reassure the JEAB that the recommended rent increase of 7.7% (CPI +1%) for 2024/2025 was in line with the rent standard for social housing set by the Regulator of Social Housing. 92% of the Council's tenants paid a social rent, with approximately 60% of those being in receipt of Housing Benefit or Universal Credit. The level of rent arrears was low, indicating that for most families, their rent remained affordable.
- 16.3 The following points arose from the related discussion, comments and questions for forwarding to the Executive:
1. With regard to the proposed rent increase, it was noted that the Council's costs associated with the operation of the Housing service were also increasing and that a minimal rent increase would have an ongoing impact upon the delivery of the HRA Business Plan. The Council was confident that it was in a position to support people on low incomes and those in need of extra support as a priority via the Community Services team.
 2. Although expanding the shared ownership stock was not currently a priority for the Business Plan, this would be revisited when the opportunity arose to develop larger sites. The Council had purchased some shared ownership properties during the past year; however, these represented a small proportion of the housing portfolio. The inclusion of some further context in report to explain the priorities in this area would add clarity.
 3. Approximately 2% of the housing stock was currently in a void position owing to the need for repairs and refurbishment. Some of these properties were suffering from structural issues, such as subsidence, and thought was being given to formulating a plan to maximise the opportunities for regenerating some of them to create new homes. A portfolio of smaller development sites was also being progressed. It was unknown whether

asylum seekers were eligible to join the Council's Housing Register.

4. Issues associated with damp and mould were raised as several Council tenants had experienced this problem recently, including one housed in a Housing Association (HA) property, although they paid their rent to the Council. As there was thought to be some confusion around the differences between HRA and HA rentals and the responsibilities of HAs housing Council tenants, some wider communication in this regard would be beneficial. The Council's Private Housing Team was able to assist private sector and HA tenants experiencing damp and mould issues with their homes and the Council had appointed a Damp and Mould Surveyor to whom such issues relating to HRA homes could be referred for attention. It was suggested that the budget should be expanded to include an entry in respect of damp and mould to raise its profile and show that the Council was taking related action.
- 16.4 The Joint EAB agreed that its comments be forwarded to the Executive at its meeting on 25 January 2024.

17. Summary of Options

- 17.1. Government guidance is to increase rents by CPI+1% which equates to 7.7% for 2024-25. Officers are proposing to increase rents by this maximum allowed amount. Any reaction would impact the amount that can be invested in the stock in future.
- 17.2. Garage rents are assumed to increase in line with the rest of the Council's fees and charges at 5%.

18. Conclusion

- 18.1. The HRA is expected to make a smaller surplus than in previous years, but still healthy, at £7.8 million to continue to invest in the existing and new stock in future years, taking into account a rent increase of 7.7% (CPI+1%) and 5% on garages.

19. Background Papers

2023-24 HRA budget report

20. Appendices

Appendix 1: HRA budget summary

Appendix 2: Fees and Charges for 2024-25

HOUSING REVENUE ACCOUNT 2024-25 - BUDGET SUMMARY

2021-22 Actual £	2022-23 Actual £	Analysis	2023-24 Budget £	2023-24 Outturn £	2024-25 Budget £
		Borough Housing Services			
431,546	407,429	Income Collection	677,841	556,425	564,609
1,244,466	1,736,797	Tenants Services	2,390,850	2,414,135	2,530,190
67,476	56,430	Tenant Participation	171,820	46,515	103,727
79,189	84,393	Garage Management	104,797	43,241	43,262
18,966	65,572	Elderly Persons Dwellings	48,921	56,634	56,620
199,554	727,770	Flats Communal Services	502,274	435,464	452,755
393,447	441,066	Environmental Works to Estates	457,768	210,658	235,660
5,530,155	8,268,621	Responsive & Planned Maintenance	6,684,239	8,084,486	8,145,844
55,203	56,217	SOCH & Equity Share Administration	170,376	137,348	174,564
8,020,003	11,844,295		11,208,886	11,984,906	12,307,231
		Strategic Housing Services			
577,389	553,300	Advice, Registers & Tenant Selection	765,223	745,569	659,850
129,916	129,314	Void Property Management & Lettings	250,661	225,230	165,997
0	0	Homelessness Hostels	5,383	0	0
159,055	491,451	Supported Housing Management	172,513	652,800	700,201
342,194	389,122	Strategic Support to the HRA	625,443	803,730	637,967
1,208,553	1,563,188		1,819,223	2,427,329	2,164,016
		Community Services			
777,493	1,346,084	Sheltered Housing	852,211	1,171,528	1,256,844
5,864,693	6,426,918	Depreciation	5,864,700	6,500,000	6,500,000
227,460	164,562	Debt Management	158,711	5,000	5,000
1,012,234	1,012,970	Other Items	1,857,527	1,431,831	1,857,550
17,110,437	22,358,017	Total Expenditure	21,761,258	23,520,594	24,090,641
(33,770,256)	(34,331,118)	Income	(36,654,316)	(37,161,033)	(38,173,474)
(16,659,819)	(11,973,101)	Net Cost of Services(per inc & exp a/c)	(14,893,058)	(13,640,438)	(14,082,832)
297,990	110,510	HRA Share of CDC	1,437,930	1,437,930	1,437,930
(16,361,829)	(11,862,591)	Net Cost of HRA Services	(13,455,128)	(12,202,508)	(12,644,902)
(105,900)	(1,106,929)	Investment Income	(1,593,180)	(1,936,479)	(605,570)
4,879,544	4,799,307	Interest Payable	4,751,225	5,035,839	5,359,000
(11,588,186)	(8,170,212)	Deficit for Year on HRA Services	(10,297,083)	(9,103,148)	(7,891,472)
(136,260)	(118,077)	Tfr (from)/to CAA re: REFCUS	75,000	75,000	75,000
2,500,000	2,500,000	Contrib to (Use of) RFFC	2,500,000	2,500,000	2,500,000
8,610,880	5,548,936	Contrib to/(Use of) New Build Reserve	7,722,083	6,528,148	5,316,472
(510,826)	(397,814)	Tfr (from)/to Pension Reserve	0	0	0
(26,824)	(14,722)	Tfr (from)/to Intangible Assets	0	0	0
1,154,479	648,720	Tfr (from)/to CAA re: Revaluation	0	0	0
(3,263)	3,169	Tfr (from)/to CAA re: Rev. Inc from Sale of Asset	0	0	0
(0)	0	HRA Balance	0	(0)	(0)
(2,500,000)	(2,500,000)	Balance Brought Forward	(2,500,000)	(2,500,000)	(2,500,000)
(2,500,000)	(2,500,000)	Balance Carried Forward	(2,500,000)	(2,500,000)	(2,500,000)
		Borough Housing Services			
(31,250,805)	(31,778,074)	Rent Income - Dwellings	(33,057,124)	(33,861,600)	(34,840,420)
(270,185)	177,433	Rent Income - Rosebery Hsg Assoc.	(73,324)	(53,000)	(53,000)
(462,651)	(331,083)	Rents - Shops, Buildings etc	(505,138)	(400,000)	(400,000)
(711,642)	(698,550)	Rents - Garages	(793,388)	(675,000)	(899,174)
(32,695,283)	(32,630,274)	Total Rent Income	(34,428,974)	(34,989,600)	(36,192,594)
(104,859)	(177,111)	Supporting People Grant	(224,237)	(207,761)	(300,000)
(1,051,985)	(1,086,043)	Service Charges	(1,224,421)	(1,215,000)	(1,215,000)
(2,596)	(12,446)	Legal Fees Recovered	50	(3,000)	(3,000)
665,173	(875)	Service Charges Recovered	(277,256)	(434,480)	(431,710)
(580,706)	(424,370)	Miscellaneous Income	(499,478)	(311,192)	(31,170)
(33,770,256)	(34,331,118)	Total Income	(36,654,316)	(37,161,033)	(38,173,474)

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Housing Revenue Account - Fees and Charges 2024-2025

		2023-24	Change	2024-25	Change
		£		£	
		From 1 April 2023	%	From 1 April 2024	%
To be approved by Council					
Sheltered Units					
<u>Function Room Hire</u>					
Voluntary /Charity Organisations (per hour)		16.11	3.0%	17.00	5.5%
Voluntary /Charity Organisations (per day)		79.94	3.0%	84.00	5.1%
Education/Social Services (per hour)		19.12	3.0%	21.00	9.9%
Education/Social Services (per day)		119.33	3.0%	126.00	5.6%
Social/Private Hire (per hour)		24.04	3.0%	26.00	8.2%
Social/Private Hire (per day)		128.31	3.0%	135.00	5.2%
<u>Service charge (per week):</u>					
Dray Court	<i>Based on Actuals</i>	70.27	3.0%	78.05	11.1%
Japonica Court	<i>Based on Actuals</i>	80.49	3.0%	88.26	9.7%
St Martha's Court	<i>Based on Actuals</i>	73.86	3.0%	80.31	8.7%
Millmead Court	<i>Based on Actuals</i>	66.81	3.0%	73.50	10.0%
St Martin's Court	<i>Based on Actuals</i>	77.68	3.0%	102.18	31.5%
Tarragon Court	<i>Based on Actuals</i>	69.03	3.0%	76.91	11.4%
Friary House (61 flats)					
Heating, Electricity, Cleaning, Caretaking and Security Services (per week)	<i>Based on Actuals</i>	17.00		26.89	58.2%
Garages (on Housing Estates) (VAT is applied at the standard rate on private lets only)					
High demand area (non residents) (per week)		22.13	3.0%	23.24	5.0%
High demand area (per week)		13.46	3.0%	14.13	5.0%
Elsewhere (per week)		11.06	3.0%	11.61	5.0%
Castle Cliffe					
Gas and Electricity Charges (per week)	<i>Based on Actuals</i>	26.06		39.47	51.5%
Malthouse Court					
Gas and Electricity Charges (per week)	<i>Based on Actuals</i>	14.71		28.44	93.3%
Pound Court					
Electricity; Grounds Maintenance (per week)	<i>Based on Actuals</i>	4.45		4.83	8.5%
Flats					
<u>Where cleaning provided to communal areas:</u>					
Sandmore (Laundry and Communal Facilities, per week)		5.02	3.0%	8.65	72.4%
Decorating charge (Note: charge is per room) (per week)		1.84	3.0%	1.90	3.1%
Supported Housing					
<u>Service charge per week:</u>					
William Swayne House:	<i>Based on Actuals</i>				
- Self Contained bedsits	<i>Based on Actuals</i>	130.76	3.0%	142.46	8.9%
- Self Contained flat	<i>Based on Actuals</i>	133.49	3.0%	144.54	8.3%
William Swayne Place	<i>Based on Actuals</i>	49.66	3.0%	51.15	3.0%
Dene Road	<i>Based on Actuals</i>	82.26	3.0%	85.54	4.0%
79 York Road	<i>Based on Actuals</i>	49.49	3.0%	51.05	3.2%
Caxtons	<i>Based on Actuals</i>	65.88	3.0%	72.95	10.7%
Dene Court	<i>Based on Actuals</i>	91.39	3.0%	94.13	3.0%
Sold Flats Service Charges - Solicitors' Enquiry					
Sales/purchases		160.41	3.0%	169.00	5.4%
Remortgages		82.49	3.0%	87.00	5.5%
Sold Flats Service Charge Management Fee		209.77	3.0%	221.00	5.4%
Consent Fees					
Consent - Application in Advance		124.57	3.0%	130.80	5.0%
Consent - Retrospective Application		212.71	3.0%	223.34	5.0%

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Guildford Borough Council

Report to: Council

Date: 7 February 2024

Ward(s) affected: All

Report of Director: Ian Doyle, Transformation and Governance

Author: Richard Bates, Executive Head of Finance, S151 Officer

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Report Status: Open

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

1. Executive Summary

- 1.1. This report sets out the draft General Fund Budget for 2024-25 and Medium-Term Financial Plan (MTFP) ending 2026-27.
- 1.2. The work on the 2024-25 budget and the £18.3m MTFP gap has been undertaken as part of the Financial Recovery Plan agreed in August 2023.
- 1.3. The outputs from the various workstreams of the Financial Recovery Plan are set out within the report and have reduced the budget gap by £15.9m.
- 1.4. The MTFP sets out the key work streams for the Council to focus on over this period which, collectively, aim to address the remaining

£2.4m budget gap across the MTFP period, and prepare for future capital financing costs and funding risks.

- 1.5. Significant progress has been made since the report to Council in July 2023, but the agreed savings plans need to be delivered and the remaining budget gap needs to be addressed.
- 1.6. Strengthened financial reporting and processes need to be embedded in the Council in order to lay the foundations of a financially resilient council.
- 1.7. The Joint Executive Advisory Board (JEAB) considered this report at its meeting held on 11 January 2024. The JEAB's comments are set out in Appendix 7 to the report. At its meeting held on 25 January 2024, the Executive also considered this report, including the comments of the JEAB, and endorsed the recommendation to Council below.

2. Recommendation to Council

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

(6) That the schedule of Fees and Charges, as set out in Appendix 3 to this report, be approved.

(7) That the use of the 2023-24 underspend as set out in paragraph 8.5 of this report, be approved.

3. Reasons for Recommendation:

3.1. The General Fund Budget is a major decision for the Council and setting a balanced budget is a statutory requirement.

3.2. Scrutiny of these MTFP and Budget proposals demonstrate transparency and good governance.

3.3. The Council has been well positioned to respond to these challenges and whilst the latest MTFP for the subsequent years ending 2026-27 continues to project future financial pressures, and opportunities, the Council is able to take action to ensure sufficient funding is in place to deliver and maintain services.

4. Exemption from publication

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

5. Purpose of Report

5.1. The Medium-Term Financial Plan (MTFP) is the Council's key financial planning document which takes account of all the various currently known factors and influences that may impact on the Council's General Fund for the forthcoming financial years up to and including 2027-28. These factors are both within and beyond the Council's control and include general macro-economic conditions, Government funding plans and restrictions, current expenditure patterns, inflation, planned changes to service delivery, changing demand for services, and changes affecting our sources of independent income etc.

5.2. The MTFP also includes the identification of the risks that the Council has identified that it faces. These are set out in the S151 Officer's Section 25 report in Appendix 4.

- 5.3. The MTFP looks forward over the next three years to anticipate the spending pressures faced by the Council. In light of the changing economic picture, planning now to meet expected and known changes in the future provides greater opportunity to mitigate the impact.

6. Strategic Priorities

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

7. Background

- 7.1. The Council agreed the 2023-24 budget in February 2023 with a £3.1m shortfall requiring further work to remove this gap, with the fallback position being the deployment of usable reserves.
- 7.2. 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.
 - Usable reserves reduced from around £30m to £8.4m due to several accounting errors identified during the audit process.
 - A further report to be issued to Council in October 2023 with a decision on whether it would be necessary to issue a s114 notice.
- 7.3. With this revised position, further use of reserves to balance the in-year position was deemed to be unacceptable and a Financial Recovery Plan was presented to Council in late August which set out:
- Immediate measures to bring the current year budget back into balance.
 - The establishment of 8 workstreams to deal with the budget deficit over the MTFP period.

- The establishment of a Financial Services Workstream to review all financial processes, policies, and procedures, to strengthen the team, re-establish a business partnering approach and provide robust budget monitoring across the Council, tailored to the different audiences.

8. Current-year (2023-24) Update

- 8.1. The Financial Recovery Plan introduced two immediate key actions, firstly a recruitment freeze, with all vacant posts frozen and secondly a moratorium on non-essential expenditure. For both actions, a process was established to allow for exceptions to be reviewed by the Financial Control Panel, for example where Health and Safety concerns were raised, or serious service impact was identified.
- 8.2. Budget monitoring was established from Period 4 onwards and this allowed all budgets to be reviewed and potential in-year savings identified.
- 8.3. By Period 6, sufficient plans were in place to balance the in-year position and, in the report to Council in October 2023, the interim s151 officer concluded that sufficient progress had been made to avoid the need for a s114 report to be issued but that significant work was still required to produce a balanced budget for 2024-25 and beyond.
- 8.4. Work has continued since then, with budget monitoring improved and expanded each month, and the current position shows a projected year-end underspend of around £1m.
- 8.5. The underspend will be used to meet several one-off pressures in 2024-25 which are set below:
 - Revenue costs for Shaping Guildford's Future project: £200k
 - Health and Safety improvements at Woking Road Depot: £25k
 - Air Quality match funding: £200k (£40k per annum for 5 years)
 - Local Plan Review preparation: £100k

- Microsoft Licences for 2024-25 and 2025-26: £500k

9. Medium Term Financial Plan Update

9.1. The revised budget agreed by the Council in July 2023 showed a projected budget gap over the MTFP period of £18.268m.

	2023-24 Approved £'000	2024-25 Forecast £'000	2025-26 Forecast £'000	2026-27 Forecast £'000
Deficit / Surplus in-year	3,100	8,694	5,865	609
Cumulative Deficit	3,100	11,794	17,659	18,268

Funding Assumptions

9.2. The funding assumptions used were as follows:

	2023-24 £m	2024-25 £m	2025-26 £m	2026-27 £m
Council Tax	11.253	11.851	12.207	12.575
CT surplus	0.140	0	0	0
Business Rates	3.670	3.211	3.093	3.093
New Homes Bonus	1.283	0	0	0
Services Grant	0.199	0.114	0.114	0.114
Revenue Support Grant	0.134	0	0	0
Funding Guarantee	0	0	0	0
TOTAL	16.161	15.176	15.414	15.782

Council Tax

9.3. The 2023 finance settlement confirmed that capping rules for District Councils in 2023-24 and 2024-25 would be a maximum increase of 2.99%. For Guildford, 1% on Council Tax equates to around £116k of funding.

- 9.4. The mid-year taxbase estimates have been submitted to DLUHC and show an increase of around 1.2% from last year. This is a small increase from the 1% assumed in the original MTFP estimates.
- 9.5. The Local Council Tax Support Scheme is reviewed annually. It helps residents on low incomes with their Council Tax. Since it was introduced on 1 April 2013, the scheme rules have evolved. The annual discretionary hardship fund of £40,000 supports claimants affected by our local rules. It is recommended that the current scheme continues with the normal uprating of values to ensure that the help given does not unduly reduce due to inflation and that the £40,000 discretionary hardship fund continues. The uprated figures are set out in Appendix 6.

Second and Long-Term Empty Homes

- 9.6. The Levelling-up and Regeneration Act 2023 amends the Local Government Finance Act 1992 to allow billing authorities to incentivise the occupation of empty and periodically used “second home” properties through a Council Tax Levy.

Long Term Empty Homes

- 9.7. Since 1 April 2013 we have been able to determine a local levy payable on long-term empty unfurnished properties. We are charging the largest permitted levy on these properties:

Period Empty	Maximum Levy
<5 years	100% (ie we double the charge)
>= 5 years <10 years	200%
>=10 years	300%

Regulations define a “long-term empty dwelling” as a property where for a continuous period of at least two years it has been:

- (a) unoccupied, and
- (b) substantially unfurnished.

- 9.8. With effect from 1 April 2024, the Levelling-up and Regeneration Act 2023 reduces the continuous period from two years to one year. It also introduces a requirement to follow any guidance issued by the

Secretary of State. At the time of writing, there is no guidance. Officers expect guidance to include scenarios where it may be inappropriate to charge the levy. We have, however, been successfully collecting the existing levy since April 2013.

- 9.9. Officers estimate that charging the levy after one year could raise around £650k p.a. (split between the borough and the county). This would be offset by an estimated charge of £63,889 p.a. on Council owned properties. However, the levy should be seen as an incentive to move properties back into occupation, rather than an ongoing source of income.
- 9.10. Section 11B of the Local Government Finance Act 1992 allows the Council to make, vary or revoke a determination regarding the long-term empty levy for a financial year, but only before the beginning of the year. In the absence of the final government guidance, it is proposed to recommend the change from 1 April 2025 to allow us to receive and to make the change alongside the Periodically Used Properties change outlines below.

Periodically Used Properties

- 9.11. Whilst these are generally referred to as "second homes" the actual definition is that:

- (a) there is no resident of the dwelling, and
- (b) the dwelling is substantially furnished.

This therefore includes furnished properties between lets, and other furnished properties not considered to be someone's sole or main residence under the Council Tax regulations.

- 9.12. The Levelling-up and Regeneration Act 2023 allows the Council to introduce a premium (levy) on periodically used properties of up to 100% (i.e. we double the charge).
- 9.13. We must make our first determination at least one year before the beginning of the financial year to which it relates. As a result, the earliest such a levy can start is 1 April 2025. After the first

determination we can vary or revoke the determination before the start of the financial year concerned.

- 9.14. We must have regard to any guidance issued by the Secretary of State. Additionally, the Secretary of State can prescribe classes of dwelling in relation to which we cannot make a determination. At the time of writing, no guidance or regulations have been received. The Council can vary its first determination before 1 April 2025, should it need to do so.
- 9.15. Officers estimate that a levy of 100% would raise a total of around £1.04m p.a. on around 430 homes. This would be shared with the County Council. As with the long-term empty levy, this should be seen as an incentive to move properties back into full-time occupation, rather than an ongoing source of income.

Business Rates

- 9.16. A reset of the business rates baseline has been anticipated for several years, with the implementation of the Fair Funding Review. It has now been confirmed that this will not take place in the current parliamentary term.
- 9.17. The business rates multipliers for 2024-25 were confirmed in the Chancellor's Autumn Statement. The small business rates multiplier was again frozen, and compensation is given to local authorities for the loss of inflation via s31 grant.

New Homes Bonus (NHB)

- 9.18. A new scheme was due to be introduced two years ago but has still not even reached consultation stage. A further single year, one-off allocation has now been confirmed for 2024-25. The value has reduced from £1.283m in the current year to £697k for 2024-25. No indications have been given over the future of this grant beyond next year.

Other Non-ringfenced Grants

- 9.19. In the current year, £0.119m of Services Grant and £0.114m of revenue support grant have been received.

- 9.20. The finance settlement has confirmed sums of £0.019m of Services Grant and £0.122m of Revenue Support Grant for 2024-25.
- 9.21. In the 2023-24 settlement, a funding guarantee was included which guaranteed all councils a minimum increase of 3% in Core Spending Power. This has now been extended to 2024-25 and means that the reduction in New Homes Bonus and Services Grant will be compensated via Funding Guarantee Grant for 2024-25.
- 9.22. The overall change in funding for 2024-25 is summarised in the table below:

	2023-24	2024-25 Estimate (July '23)	2024-25 (Prov. Settlement)
	£	£	£
Council Tax	11,392,760	11,851,000	11,868,100
Business Rates	3,152,126	3,211,000	3,317,992
<u>Non-Ringfenced Grants</u>			
Services Grant	118,442	114,000	18,637
Revenue Support Grant	114,006	114,000	121,557
New Homes Bonus	1,282,629	0	697,500
Funding Guarantee	0	0	824,919
TOTAL Non Ring-fenced grants	1,515,077	228,000	1,662,613
TOTAL Funding	16,059,963	15,290,000	16,848,705

- 9.23. The overall effect is a £147k increase in non-ring fenced grants from 2023-24. In comparison with the July 2023 MTFP update, this is £1.434m more funding than previously assumed for 2024-25 and therefore reduces the budget savings required by that amount.

Cost Pressures

- 9.24. Inflation remains high, with the latest CPI figure (October 2023) at 4.6%. Whilst significantly down from the October 2022 peak of 11.1%, this still remains well above the Bank of England target of 2%.

- 9.25. The Council still has most services provided in-house, so contract inflation is less of an issue than the pay-award. However, an annual allowance of £500k has been provided to cover areas such as ICT contracts, cleaning, and maintenance costs.

Pay Award

- 9.26. The pay award for Guildford Borough Council is negotiated locally and has not yet been agreed for 2024-25.
- 9.27. The MTFP assumptions have been based upon an increase of 4% for 2024-25, with 3% in the following years. This will be subject to negotiation and whilst this is the budget for the overall increase, it could be applied differently across the payscales. Note – an additional 1% on the pay award would add an extra £0.5m to pay related costs (including on-costs)

Capital Programme Review and Asset Disposals

- 9.28. Around half of the projected £18.3m MTFP gap relates to capital financing costs. This is due partly to the Council's ambitious capital programme and due to the fact that the cost of borrowing has increased significantly since many of the major schemes in the capital programme were approved.
- 9.29. It was anticipated that total borrowing for the Council would peak at £600m (including £150m of HRA debt) prior to land sales on the Weyside Urban Village (WUV) scheme which will generate capital receipts to repay some of the debt.
- 9.30. Proposals were agreed by Council in December 2023 to reduce the existing approved and provisional capital programme by £96.6m. This mainly removed future investment in commercial property and North Downs Housing. This change has reduced both the projected interest costs from the additional borrowing that was assumed to be required and also the Minimum Revenue Provision costs (depreciation) which are incurred once capital schemes are completed.
- 9.31. In addition, the Council has established an Asset Disposal Programme which is reviewing all of the Council owned assets to determine which

are the most appropriate to dispose of in terms of net running costs, value and service usage. A target of £50m has been set from the asset disposal programme which will be delivered in a planned and controlled manner to ensure best value is received. The capital receipts are expected to be delivered by the end of the 2026-27 financial year.

- 9.32. An additional benefit will be reduced running and maintenance costs from a smaller asset estate, but these are not yet factored into budget projections as any loss of income will also need to be addressed.
- 9.33. Together, these actions will reduce the Council's peak borrowing requirement to around £450m, prior to WUV land receipts.

Policy Change

- 9.34. The Council has several large capital projects underway at present (Ash Road Bridge and WUV). Although the MRP changes are not made until the scheme is in operation, interest costs were previously factored into the cost of borrowing from the point of drawdown of the loans. Standard practice is to capitalise the interest on such schemes until operational and treat these as a cost of the project. This has been implemented during 2023-24.
- 9.35. The borrowing costs for the WUV scheme were previously being calculated using scheme specific loans. This has now been amended so that any capital financing is done corporately, and the pooled interest rate applied to all capital schemes.
- 9.36. Interest payable to the HRA has historically been calculated including sums held as capital receipts. This is not required by the regulations and has now been ceased, benefitting the General Fund. Also, interest in the SANG should only include 35% of historic sums and has previously been applied to 100%. This has now been amended.
- 9.37. A review of the consultancy costs charged to capital projects has allowed a reduction of £124k in the cost of staffing within the major projects revenue budget.

Unavoidable Budget Pressures (Growth bids)

9.38. Even with the financial pressures facing the Council, there will always be a number of issues which require additional funding. These are set out below:

- Enforcement of new requirements for private sector housing in relation to Damp and Mould: £124,000
- Health and Safety at Woking Road Depot: £60,000
- Case worker for Revenues and Benefits due to increased case numbers: £37,500
- 150% national increase in External Audit cost: £180,000
- Planning staffing: £300,000
- Senior Structure (statutory posts): £20,000
- Microsoft licences: £27,500. Plus £250,000 per annum additional from 2026-27.
- Annual elections contribution: £110,000 from 2025-26
- Members' Allowances – frozen for 2024-25 then review implemented from 2025-26 (subject to further consideration by full Council of the Independent Remuneration Panel's Report in December 2024)

Contract Management

9.39. A review is being undertaken to establish a contract pipeline over the MTFP period, so that renewal of contracts can be managed in a more planned and efficient manner.

9.40. The first major opportunity identified is the utility contract which is due for renewal in September 2024. Early work has identified the potential for £1m to be saved compared to the current arrangements and this has been factored into the MTFP.

9.41. The contract for G-Live is currently being tendered with a view to allowing more flexibility to the operator and removing the current annual subsidy of £275,000 per annum.

- 9.42. Similarly, negotiations are on-going with the operator of Spectrum Leisure Centre which will see an additional £90,000 income raised for 2024-25.
- 9.43. The contract for telephony, including mobile phones, has been re-tendered with an annual on-going saving of £100,000.
- 9.44. A programme of contract and supplier management improvements is also being developed which should help deliver further savings in due course.

Income Generation / Fees and Charges

- 9.45. A full review of fees and charges has been carried out across the Council. Increases were kept minimal for 2023-24, despite inflation of 11% during that period.
- 9.46. Some charges are set nationally and there is therefore no local leeway on these.
- 9.47. Of these nationally set increases, planning fees are being increased significantly and will more than make up for a shortfall against budget in the current year, which has resulted from the economic downturn.
- 9.48. Increases in fees and charges have been deemed preferable to cuts in services, so a minimum increase of 5% will be applied for 2024-25. This will generate around £250,000 extra compared to the current year.
- 9.49. Some fees and charges are calculated on a full cost recovery basis and have not been looked at in detail for some time. Specific reviews have been undertaken, together with benchmarking against other local authorities, for Car Parking, Garden Waste Collection, Building Control, Land Charges, Legal Services.
- 9.50. A full schedule of fees and charges for 2024-25 is set out in Appendix 3.

Other Budget Savings

- 9.51. The initial budget review exercise identified Car Parking income of £937,000 in excess of the base budget and an unused inflation allowance for 2023-24 of £283,000.

- 9.52. There were, however, two base budget issues identified where income was budgeted without the corresponding expenditure. These have been corrected for Elections reserve (£250,000) and homelessness grant (£334,000)
- 9.53. Income from Penalty Charge Notices has increased beyond the budgeted sum by around £80,000 since the transfer of on-street parking back to the County Council.
- 9.54. Changes to the waste service such as the removal of bring banks and charging for some bins / bags will generate an additional £52,000 income.
- 9.55. The provision of hanging baskets within the town centre will be paused for 2 years, saving £50,000 per annum. Sponsorship will be looked at where possible to maintain the service.
- 9.56. The feasibility studies budget of £53,000 has been removed.
- 9.57. Support for the Business World (Finance and HR) ICT system has been brought back in-house with a saving of around £35,000.
- 9.58. New Parish Grants have been ceased from April 2024 with a saving of £182,000. The LCTSS grant to parishes has been maintained for 2024-25, but will be cut by £45,000 from 2025-26.
- 9.59. The triennial review of the local government pension scheme has generated savings of £147,000 for 2024-25 and a further £159,000 for 2025-26.
- 9.60. The review of management agreements in January 2023 for the Yvonne Arnaud Theatre agreed a reduction of £36,000 in the management fee for 2024-25.
- 9.61. The Community Services department is undertaking a restructure which will produce savings of £300,000.
- 9.62. Local Enterprise Partnership (LEP) functions are transferring back to County Councils from April 2024 and our contribution of £50,000 will be discontinued.

- 9.63. Central budgets for travel, training, staff expenses have been significantly underspent since the pandemic and will now be reduced, saving a total of £420,000.
- 9.64. Better management of the staffing establishment will enable the vacancy credit to be increased from 2% to 5%. This allows for the period where posts are vacant prior to recruitment of replacement staff.

Collaboration with Waverley Borough Council

- 9.65. £100,000 staffing has already been agreed for the business transformation/collaboration team and this will now be added to the base budget.
- 9.66. A further £200,000 of additional staffing has been requested as part of the overall collaboration business case and this has been built into the budget together with a corresponding savings target.
- 9.67. A proposal is being worked on to establish a joint parking enforcement team which is estimated to save around £60,000 for the Council.

10. Revised MTFP Position

- 10.1. The table below summarises the impact on the MTFP gap from the measures outlined above.

	2023-24 Approved £'000	2024-25 Forecast £'000	2025-26 Forecast £'000	2026-27 Forecast £'000
Deficit / Surplus in-year (as at July 2023)	3,100	8,694	5,865	609
On-going savings in July 23 report	(1,600)			
Reduced borrowing costs – capital programme reduction		(2,250)	(275)	(150)
Reduced borrowing costs – capital receipts. {details not yet identified}			(1,200)	(1,300)

	2023-24 Approved £'000	2024-25 Forecast £'000	2025-26 Forecast £'000	2026-27 Forecast £'000
Income reviews	(900)	(1,793)		
Contract renewals		(828)	(637)	
Other e.g., grants		(232)	(45)	(12)
Base budget adjustments		(636)		
Capital projects – capitalisation of interest and staffing		(1,424)	(2,809)	2,431
Change in Funding Assumption		(1,434)		
Other budget savings		(1,387)	(159)	50
Collaboration / Business Transformation		300 (260)		
Growth (not in July figures)		650		
Remaining Gap	600	(600)	740	1,628
Cumulative Gap	600	0	740	2,368

- 10.2. Although the 2023-24 in year position was balanced, some of the savings were delivered through one-off items such as from the freeze on vacancies and discretionary spend. An additional sum of £600,000 was therefore required in base budget savings for 2024-25 to balance the on-going budget.
- 10.3. The table at paragraph 10.1 above summarises how the gap identified in the report to July Council has been addressed. The position for 2024-25 is now balanced but there still remains a sum of £2.7m to be addressed in the remainder of the MTFP period. This could increase if current government funding levels are not maintained in the future.
- 10.4. The borrowing costs for the WUV scheme will also need to be met from 2027-28 onwards, so further work is still required to deal with the financial impact of this.

Further Work beyond setting the 2024-25 Budget

10.5. Work will continue after setting the 2024-25 budget and will need to cover various areas such as:

- Consideration of different service delivery options
- Collaboration opportunities
- Income generation
- fees and charges detailed reviews (including regulatory, trade waste, crematorium, planning)
- Contract and procurement reviews
- Grants and subscriptions paid to other bodies
- Strategy for financing of Weyside Urban Village
- Full review of the Zero-Based Budgeting exercise outcome
- Targeted agency and Interim staffing reductions.

Financial Services Workstream

10.6. A further workstream was agreed as part of the Financial Recovery Plan, to look at the operation of the Finance Service.

10.7. Significant progress has been made on many issues and the Council now has robust monthly monitoring in place, a 2023-24 budget book published, monitoring and review of debts and establishment control.

10.8. A new budget book will be published in February 2024 for 2024-25, including both budgets and establishment. This will be a key document to enable budget holders to be held to account for their management of the resources made available to them. Amendments to budgets during the year will need to go through the procedures outlined in the Financial and Procurement Procedure Rules.

10.9. It is vitally important that the new processes are embedded within the Council as a legacy from the intense work done on the Financial Recovery Plan. This will form the bedrock of robust financial controls for the future.

11. Reserves and Balances

11.1. There is no planned use of non-earmarked reserves and balances in 2024-25.

11.2. The revised balance at the start of the current year is £8.4m, due to the correction of previous accounting errors. This will be increased by £1.4m due to the corrected treatment of interest and housing advice costs on the HRA and interest on the SANG. The capitalisation of major scheme costs will also move £3m to the Capital financing requirement and reduce general fund costs accordingly.

11.3. A schedule of usable reserves and balances is shown in Appendix 5.

12. Consultations

12.1. The Joint Executive Advisory Board scrutinised the General Fund budget proposals at their meetings on 11 January 2024. The feedback from that meeting is included at Appendix 7.

12.2. Any savings plans will need to be reviewed to ensure that the correct public and user consultations are undertaken prior to implementation.

13. Key Risks

13.1. The risks associated with the MTFP are set out in the s151 Officer's Section 25 report (Appendix 4).

14. Financial Implications

14.1. All decisions made with regard to the Council's budget will impact on the resources available for provision of the Council's services.

14.2. The plans set out within this budget report will deliver a balanced budget for 2024-25. Further action will still be needed to deal with the remaining budget gap in future years.

15. Legal Implications

- 15.1. The Council's legal duty to set a balanced budget is set out in section 31 of the Local Government Finance Act 1992, which provides that the Council must balance its expenditure with its revenue.
- 15.2. Section 114(3) of the 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."*
- 15.3. 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.

16. Human Resource Implications

- 16.1. As part of the Financial Recovery Plan, the Council was required to reduce operational and service delivery costs immediately.
- 16.2. The immediate measures set out in the September Financial Recovery Plan put a freeze on most recruitment. This freeze will be removed from 1 April 2024, and establishment monitored through the monthly budget monitoring processes. Any variations will need to be agreed by the Corporate Management Board.

17. Equality and Diversity Implications

- 17.1. There are no direct equality, diversity or inclusion implications resulting from the budget proposals outlined within this report.

18. Climate Change/Sustainability Implications

- 18.1. The uncommitted sum for Climate Change projects was used as a budget saving during the current year. This has been reinstated for 2024-25.
- 18.2. Climate change issues will be considered as part of the contract renewal process, for example the utility contract renewal due in September 2024.

19. Summary of Options

- 19.1. The report outlines proposals to deliver a balanced budget for 2024-25.
- 19.2. Any further proposed budget growth would need to be matched with further proposals for budget savings.

20. Background Papers

- General Fund Budget Update – Council 25 July 2023
- Issue 1 – Financial Recovery Plan – Council 30 August 2023
- Issue 2 – Financial Recovery Plan - Council 27 September 2023
- Medium Term Financial Plan (MTFP) and Financial Recovery Plan - November Update Report – Council 5 December 2023

21. Appendices

Appendix 1: General Fund Budget Summary 2024-25 to 2026-27

Appendix 2: Summary of Budget Changes

Appendix 3: Fees and Charges Schedule

Appendix 4: Section 25 Report

Appendix 5: Reserves and Balances

Appendix 6: LCTSS Scheme

Appendix 7: Comments of the Joint Executive Advisory Board (11 January 2024)

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	Original 2023/24 Budget	Revised 2023/24 Budget	Proposed 2024/25 Budget
	£	£	£
Community Wellbeing	18,037,833	17,969,449	20,195,110
Place	(2,044,480)	(2,472,928)	(3,451,227)
Transformation & Governance	10,190,811	9,441,690	8,295,189
Total Directorate Level	26,184,164	24,938,212	25,039,073
Capital Charges	(8,772,936)	(8,772,936)	(8,772,936)
	17,411,228	16,165,276	16,266,137
Corporate Items			
External interest receivable (net)	(2,794,690)	(3,394,690)	(2,062,290)
Interest payable to Housing Revenue Account	1,375,960	1,375,960	875,960
Minimum Revenue Provision	1,780,745	1,618,674	1,618,674
Other reserve movements	9,940	9,940	9,940
Business Rates GF impact	(3,152,126)	(3,152,127)	(3,318,026)
Other Govt Grants	(227,765)	(227,766)	(140,194)
New Homes Bonus	(1,282,629)	(1,282,630)	(697,500)
Funding guarantee	0	0	(824,919)
Council Tax Collection Fund	0	140,062	0
Net General Fund Cost	13,120,663	11,252,700	11,727,781
Council Tax Requirement	11,252,700	11,252,700	11,727,781
Shortfall / (surplus)	1,867,963	0	0

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Summary of budget Changes from 2023-24 to 2026-27	2023-24		Linked	2024-25	2025-26	2026-27	Notes
	Approved £'000			Forecast	Forecast	Forecast	
Deficit / Surplus in-year	3,100,000	Feb 23					
In year budget savings	-1,485,037	July 23					
Budget GAP	1,614,963	July 23		1,615,000	0	739,800	as per November Budget report
Salary adjustments for in-year vacancies - part year effect .	-390,934	one-off					
Correction of the Council Tax Deficit from the collection fund not included in original budget.	140,000	one-off					
Reduction of in year Economic Development staffing costs including major projects	-190,000	one-off					
Increase income from Spectrum due to extension of Leisure Management Contract	-66,000	increases		-90,000			£66k from contract plus £24k in 24/25
Increased income from Parking Charge Notices due to changes in service provision.	-40,000	one-off					
Reversal of budget adjustment due to planned development in North Street within Car Parks.	-490,000	one-off					
Increased Car Parking Income against budgetary forecast.	-460,000	one-off					
Budget allocated for the re-opening of Onslow Park and ride which is no longer required.	-139,000	On-going		-139,000			
Removal of budget for feasibility studies.	-54,000	one-off					
Removal of unallocated budget for climate change.	-131,000	one-off					
Reduction in the amount of Minimum Revenue Provision (MRP) required due to application of correct treatment of assets.	-168,000	one-off					
Reduction in Treasury Management Costs (HRA / SANG corrected)	-600,000	one-off					
Increase in Garden Waste Income due to increased demand.	-125,000	one-off					
Reduction of costs for Parks and Rangers	-41,029	one-off					
Unbudgeted costs for planning appeals in addition to £350,000 previously agreed funded from reserves.	100,000	one-off					
Increased costs of external Audit due to recent re-tendering	140,000	one-off					
Increased Utility Costs	900,000	on-going		900,000			
Base Budget Adjustments							
Inflation allowance				-283,000			23/4 unused allocation
Car parking base budget adjustment				-937,000			Excess income in 23-24 (on-going)
Elections funding reversal				250,000			Remove transfer from reserves (incorrect in 23-24)
Homelessness Prevention funding reversal				334,000			Correction of budget error in 23-24
Funding							
CT base growth plus 2.99				-475,300	-512,700	-534,800	
Funding - guaranteed increase of 3% (less taxbase growth)				-152,000	?	?	Potential loss of NHB, FG etc from 25-26
Business Rates SFA increase				-165,900			
Income / Fees and Charges							
Increase Car Parking income by fee review				-800,000			
Car parks stretch target				-400,000			
Garden Waste				-300,000			Increase to £58
Penalty Charge Notices (PCNs)				-80,000			Growth seen in 23/24 post on-street return to SCC
Planning Fees				-63,000			Diff between the 23/4 shortfall and the national fee increase
Additional Income from F&C				-250,000			5% increase or more
Capital Programme / Borrowing Costs							
HRA / SANG interest				-500,000			Corrected treatment
Capitalisation (major projects)				-2,500,000			Interest capitalised as project cost
Disposals - reduction in interest costs			y	0	-1,200,000	-1,300,000	Assumed £50m capital receipts used to defray borrowing
Major projects consultancy				-124,000			Remove capitalised staff
Contract Review							
Utilities				-500,000	-500,000		Part year effect due to retender sept '24
G Live				-138,000	-137,000		Part year - contract out for retender (no subsidy)
Telephone Contract				-100,000			New contract savings

Summary of budget Changes from 2023-24 to 2026-27	2023-24 Approved £'000	Linked	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	Notes
Other Budget Savings						
Waste policy			-52,000			Bring bins, charges
Feasibility studies			-53,000			
Business World support			-35,000			Employed staff V contract cost
Hanging baskets			-50,000		50,000	2 year pause only
Parish Grants			-182,000			Cease new grants from 1/4/24
Local Government Pension Scheme		Y	-147,000	-159,000		Triennial Review (backdated element)
LEP Contributions			-50,000			Going back to County Councils
LCTSS Grant to Parishes			0	-45,000	-12,000	Grant to parishes reduced from 2025-26
Community Restructure			-300,000			
Central Budgets			-420,000			
Reduction in grants - Yvonne Arnaud Theatre			-36,000			Exec Paper January 22 (3 yr agreement)
Vacancy Credit 3%			-423,900			Increased vacancy factor
Collaboration savings			-200,000			Match increased staffing costs
Enforcement with WBC			-60,000			GBC to provide joint service
Required Growth						
Pay Award inc increments			2,025,600	1,594,400	1,657,800	based on 5%, 3% and 3%
Members Allowances		Y	0	89,100	17,100	No change 2024-25. Review implemented 25-26, then Inflation
H&S support			60,000			Woking Road Depot H&S
Transformation programme staff			100,000			As per November report
External Audit Costs			180,000			151% contract increase nationally
Contract Inflation			500,000	500,000	500,000	
Senior Structure			20,000			Statutory posts review
Capital Financing			4,000,000	1,000,000	1,000,000	
Planning			300,000			Base budget adjustment
Regulatory Services (Damp and Mould / Empty Homes)			124,000			Enforcement. Grant funding £12m nationally
Microsoft Enterprise Agreement (2 years from reserve)			27,500		250,000	Use one-off for Y1 and Y2
Yearly elections contribution				110,000		Need annual contribution for 4 year elections - start year 2
Revs and Bens Case Worker			37,600			New Council Tax caseworker
Collaboration staffing			200,000			Increase above the £100k already agreed. Offset by collab savings
<i>Agency / Casual budget reduction</i>			-300,000			
<i>R&M Charge to HRA</i>			-200,000			
<i>Adj to cap finance budgets</i>			-167,600			
Council Tax surplus / deficit			?			
NNDR surplus / deficit			?			
Net Position	0		0	739,800	2,367,900	

**GUILDFORD BOROUGH COUNCIL
GENERAL FUND BUDGET 2024-25**

FEES AND CHARGES

Approved by the Government

Fee to be applied by Guildford Borough Council

Environmental Protection Act 1990-Fees for authorisation of industrial process Note: these fees are prescribed nationally by regulation and are reviewed annually by DCLG.

Statutory Maximum									
Classes of Premises licence	Non-conversion application fee in respect of other premises	Annual fee	Maximum fee for application to vary licence	Fee for application to transfer a licence	Fee for application for reinstatement of a licence	Fee for application for provisional statement	Fee for Licence Application (provisional Statement Holders)	Fee for Copy Licence	Fee for Notification of Change
	£	£	£	£	£	£	£	£	£
Regional casino premises licence	15,000.00	15,000.00	7,500.00	6,500.00	6,500.00	15,000.00	8,000.00	25.00	50.00
Large casino premises licence	10,000.00	10,000.00	5,000.00	2,150.00	2,150.00	10,000.00	5,000.00	25.00	50.00
Small casino premises licence	8,000.00	5,000.00	4,000.00	1,800.00	1,800.00	8,000.00	3,000.00	25.00	50.00
Bingo premises licence	3,500.00	1,000.00	1,750.00	1,200.00	1,200.00	3,500.00	1,200.00	25.00	50.00
Adult gaming centre premises licence	2,000.00	1,000.00	1,000.00	1,200.00	1,200.00	2,000.00	1,200.00	25.00	50.00
Betting premises (track) licence	2,500.00	1,000.00	1,250.00	950.00	950.00	2,500.00	950.00	25.00	50.00
Family entertainment centre premises licence	2,000.00	750.00	1,000.00	950.00	950.00	2,000.00	950.00	25.00	50.00
Betting premises (other) licence	3,000.00	600.00	1,500.00	1,200.00	1,200.00	3,000.00	1,500.00	25.00	50.00

Guildford Borough Council Fee									
Classes of Premises licence	Non-conversion application fee in respect of other premises	Annual fee	Maximum fee for application to vary licence	Fee for application to transfer a licence	Fee for application for reinstatement of a licence	Fee for application for provisional statement	Fee for Licence Application (provisional Statement Holders)	Fee for Copy Licence	Fee for Notification of Change
	£	£	£	£	£	£	£	£	£
Regional casino premises licence	2,513.21	845.84	2,513.21	926.87	926.87	2,513.21	2,513.21	15.00	30.00
Large casino premises licence	2,513.21	845.84	2,513.21	926.87	926.87	2,513.21	2,513.21	15.00	30.00
Small casino premises licence	2,513.21	845.84	2,513.21	926.87	926.87	2,513.21	2,513.21	15.00	30.00
Bingo premises licence	2,449.78	724.23	1,449.78	864.29	864.29	2,449.78	958.94	15.00	30.00
Adult gaming centre premises licence	1,984.12	590.37	493.28	273.53	764.36	1,984.12	493.28	15.00	30.00
Betting premises (track) licence	1,984.12	590.37	984.12	273.53	764.36	1,984.12	493.28	15.00	30.00
Family entertainment centre premises licence	1,984.12	590.37	493.28	273.53	764.36	1,984.12	493.28	15.00	30.00
Betting premises (other) licence	1,984.12	590.37	493.28	273.53	764.36	1,984.12	764.36	15.00	30.00

	2023-24 from 1st April 2023	Increase %	2024-25 from 1st April 2024	Increase %
To be approved by Council				
Gypsy Caravan Sites - Pitch Rental				
Ash Bridge & Cobbetts Close Sites (per week)	90.06	3.5%	96.99	7.7%
Calvert Road	93.29	3.7%	100.47	7.7%
Home Farm	91.70	3.0%	98.76	7.7%
Stray Dogs				
A £25.00 statutory fee which is not included in the charge.			25.00	
Call out and collection charge			79.00	
Return dog to you			38.50	
Kenneling feels (in addition to above)				
1st day or part of day	127.70	3.0%	30.00	-76.5%
2nd day or part of day	148.30	3.0%	60.00	-59.5%
3rd day or part of day	171.00	3.0%	90.00	-47.4%
4th day or part of day	200.90	3.0%	120.00	-40.3%
5th day or part of day	231.80	3.0%	150.00	-35.3%
6th day or part of day	261.60	3.0%	180.00	-31.2%
7th day or part of day	302.80	3.0%	210.00	-30.6%
Microchipping of Dogs (England) Regulations 2015				
Microchipping of dog - seizure of dog, microchipping by vet and return to owner			Price on application	
Registration – Acupuncture, tattooing, etc.				
Premises and/or One Practitioner	259.60	3.0%	276.00	6.3%
Per Additional Practitioner	98.90	3.0%	105.00	6.2%
Food Hygiene Revisits	323.40	3.0%	344.00	6.4%
Pest Control				
(The charges shown are based on the cost of labour, transport plus materials)				

* = includes VAT at 20%

	2023-24 from 1st April 2023	Increase %	2024-25 from 1st April 2024	Increase %
Domestic Premises				
Wasps (max 1 nest per premise)	80.00	11.1%	85.00	6.3%
Wasps (extra nest at same visit)	43.00	10.3%	45.00	4.7%
Other Treatments	95.00	8.0%	110.00	15.8%
Other Treatments (houses of multiple occupation)	136.00	9.7%	150.00	10.3%
Rodents	55.00	22.2%	75.00	36.4%
Domestic Premises where the main occupier is receiving income support or benefits				
Wasps (max 1 nest per premise)	43.00	10.3%	46.00	7.0%
Wasps (extra nest at same visit)	43.00	10.3%	45.00	4.7%
Other Treatments	63.00	10.5%	70.00	11.1%
Rodents			Free of Charge	
Services of Environmental Health Officer				
- per hour or part thereof	67.00	3.1%	72.00	7.5%
Due to the England Local Authority review of fees and charges these may be subject to change				
Miscellaneous				
Extracts from Registers - Food Safety Act, per page. Under the Freedom of Information Act 2000 the charge is waived as the cost of collecting the fee is more than the charge.				
Sex Establishments - Fixed by Council				
Application fee	1,615.00	3.0%	2,741.00	69.7%
Fee of Grant	164.80	3.0%	377.00	128.8%
Contaminated Land & Air Quality				
Responding to enquiries about contaminated land – report	91.70	3.0%	100.00	9.1%
Each additional hour	86.50	3.0%	90.00	4.0%
<i>Note: for more extensive enquiries the fee is based on the hourly rate of the EHO added to the basic fee</i>				

* = includes VAT at 20%

	2023-24 from 1st April 2023	Increase %	2024-25 from 1st April 2024	Increase %
Private water supply				
Private water supply with a distribution network - investigation	Hourly rate £82.00 maximum £100		Hourly rate £94.30 maximum £100	15%
Large private water supply - risk assessment	Hourly rate £82.00 maximum £500		Hourly rate £94.30 maximum £500	15%
Large Private water supply - investigation when a sample is taken	Hourly rate £82.00 maximum £100		Hourly rate £94.30 maximum £100	15%
Large Private water supply - analysing a sample taken during check monitoring	Hourly rate £82.00 maximum £100		Hourly rate £94.30 maximum £100	15%
Large Private water supply - analysing a sample taken during audit monitoring	Hourly rate £82.00 maximum £500		Hourly rate £94.30 maximum £500	15%
Other private water supply not covered by regulation 8 and 9	Hourly rate £82.00 maximum £500		Hourly rate £94.30 maximum £500	15%
Other private water supply not covered by regulation 8 and 9	Hourly rate £82.00 maximum £100		Hourly rate £94.30 maximum £100	15%
Analysing a sample –Taken under regulation 10	Cost as charged by labs		Cost as charged by labs	
Analysing a sample –Taken during check monitoring	Cost as charged by labs		Cost as charged by labs	
Analysing a sample –Taken during audit monitoring	Cost as charged by labs		Cost as charged by labs	
Extracts from Registers				
Environmental Protection Act - per page	Free of Charge		Free of Charge	
Miscellaneous				
Reports to Solicitors on the circumstances relating to workplace accidents (excl. cost of photographs) - up to 2 hours, extra charged at the hourly rate				
From April 2017 this will be charged at the hourly rate	67.00	3.1%	72.00	7.5%

* = includes VAT at 20%

	2023-24	Increase	2024-25	Increase
	from 1st		from 1st	
	April 2023	%	April 2024	%

Animal Activities Licensing

The law has changed as of 1 October 2018 and the Animal Welfare (Licensing of Activities involving Animals) (England) Regulations 2018 are now in force.

Premises already licensed under the old legislation will continue to be licensed until such time as their licence expires. They will then have to apply for a new licence under the new regulations.

Animal Boarding

Application Fee	712.80	3.0%	759.13	6.5%
Fee for Grant	287.40	3.0%	306.08	6.5%

Any vet fees will be payable upon application and as required for licence duration

Home Boarding

Application Fee	712.80	3.0%	759.13	6.5%
Fee for Grant	287.40	3.0%	306.08	6.5%

Any vet fees will be payable upon application and as required for licence duration

Dog Day Care

Application Fee	712.80	3.0%	759.13	6.5%
Fee for Grant	287.40	3.0%	306.08	6.5%

Any vet fees will be payable upon application and as required for licence duration

Dog Breeding

Application Fee	824.00	3.0%	877.56	6.5%
Fee for Grant	225.60	3.0%	240.26	6.5%

Any vet fees will be payable upon application and as required for licence duration

Keeping Animals for Exhibition

Application Fee	299.70	3.0%	319.18	6.5%
Fee for Grant	150.40	3.0%	160.18	6.5%

Any vet fees will be payable upon application and as required for licence duration

* = includes VAT at 20%

	2023-24	Increase	2024-25	Increase
	from 1st		from 1st	
	April 2023		April 2024	
		%		%
Selling Animals as Pets				
Application Fee	472.80	3.0%	759.13	60.6%
Fee for Grant	236.90	3.0%	306.08	29.2%
<i>Any vet fees will be payable upon application and as required for licence duration</i>				
Hiring out Horses				
Application Fee	577.80	3.0%	615.36	6.5%
Fee for Grant	289.40	3.0%	308.21	6.5%
<i>Any vet fees will be payable upon application and as required for licence duration</i>				
Dangerous Wild Animals				
-New	432.60	3.0%	460.72	6.5%
-Renewal	225.60	3.0%	240.26	6.5%
Zoo Licence				
-New	2,519.40	3.0%	2,683.16	6.5%
-Renewal	2,519.40	3.0%	2,683.16	6.5%
Each Additional Licence Activity				
Application Fee	87.60	3.1%	93.29	6.5%
Fee for Grant	96.80	3.0%	103.09	6.5%
Each Additional Inspection	107.10	3.0%	214.06	99.9%
Variation to Licence	237.90	3.0%	253.36	6.5%
Re-evaluation of Rating	237.90	3.0%	253.36	6.5%
Variations to reduce the licensable activities or numbers of	97.90	3.1%	104.26	6.5%
Transfer due to death of Licensee	97.90	3.1%	104.26	6.5%

* = includes VAT at 20%

	2023-24	Increase	2024-25	Increase
	from 1st		from 1st	
	April 2023	%	April 2024	%
Street Trading				
Street Trading Total Fee	381.10	3.0%	786.97	106.5%
Street Trading Community Event	42.20	2.9%	43.47	3.0%
Charges for issue of a consent under the provisions of the Local Government (Miscellaneous) Provisions Act 1982				
Day Centres				
Price per meal:				
Member	4.70	2.1%	4.90	4.3%
Non member	6.60	3.2%	6.90	4.5%
Main course only - member	3.30	3.0%	3.50	6.1%
Main course only - non member	4.60	2.2%	4.80	4.3%
Dessert only - member	1.60	6.5%	1.70	6.2%
Dessert only - non member	2.20	4.8%	2.30	4.5%
Theme Meal - member	6.40	3.2%	6.70	4.7%
Theme Meal - non member	7.90	2.7%	8.30	5.1%
Membership Fees:				
Day Centre only	13.80	3.0%	14.60	5.8%
Day Centre and Dial a Ride (50% is for Community Transp	21.20	2.9%	22.60	6.6%
Membership Top Up Transport	7.20	2.8%	8.00	11.1%
Membership Top Up Transport	7.20	2.8%	8.00	11.1%
Day Centre Activities**	3.60	2.8%	3.80	5.6%
Hairdressers - Rent a Chair - Per Chair, Per Day - New Charge			40.00	
Income from other services***e.g. hairdressing and chiropc	21%	3.0%	22%	1.0%
<i>**These are activities such as Tai Chi and Line Dancing provided by external facilitators</i>				
<i>*** These charges were previously retained by the centre welfare funds</i>				
Meals on Wheels Service				
Price per meal	4.60	2.2%	4.80	4.3%

* = includes VAT at 20%

	2023-24	Increase	2024-25	Increase
	from 1st		from 1st	
	April 2023	%	April 2024	%
Hire of Halls				
Voluntary and Not for Profit Providers per Hour	26.80	3.1%	30.00	11.9%
Educational Activities	27.80	3.0%	30.00	7.9%
Private hire	37.00	2.8%	40.00	8.1%
Half Day	116.50	3.1%	160.00	37.3%
Full Day	230.00	1.3%	300.00	30.4%
Community Transport Service				
Single Membership Fees:	13.90	3.0%	14.60	5.0%
Dial a Ride only	13.90	3.0%	14.60	5.0%
Community Transport to Day Centre	13.90	3.0%	14.60	5.0%
Day Centre and Dial a Ride (half this fee relates to Day Ce	22.00	7.3%	22.60	2.7%
Group Membership Fees:	63.90	3.1%	67.10	5.0%
Vehicle Hire per 1/2 hr	10.80	2.9%	11.30	4.6%
Charge per mile	1.00	0.0%	1.10	10.0%
Passenger charge (min 5 people)	6.70	3.1%	7.00	4.5%
Single Journey				
1 mile	3.10	3.4%	3.30	6.5%
2 miles	3.60	2.8%	3.80	5.6%
3 miles	4.10	2.6%	4.30	4.9%
4 miles	4.60	2.2%	4.80	4.3%
5 miles	5.10	2.1%	5.40	5.9%
6 miles	5.60	1.9%	5.90	5.4%
7 miles	6.10	1.7%	6.40	4.9%
8 miles	6.60	1.6%	6.90	4.5%
9 miles	7.10	1.4%	7.50	5.6%
10 miles	7.60	1.4%	8.00	5.3%
11 miles	8.10	1.3%	8.50	4.9%
12 miles	8.60	1.2%	9.00	4.7%
13 miles	9.10	-4.2%	9.60	5.5%
14 miles	9.60	-4.0%	10.10	5.2%
15 miles. Journeys above 15 miles are not undertaken.	10.10	-3.8%	10.60	5.0%

* = includes VAT at 20%

	2023-24 from 1st April 2023	Increase %	2024-25 from 1st April 2024	Increase %
Handyperson Service - Available for the over 60's, disabled and vulnerable				
General Services (per hour incl VAT)	27.00	3.8%	29.00	7.4%
General Services for those on benefits (per hour incl VAT)	16.00	3.2%	17.00	6.3%
Safe and Secure Works for those on benefits				
Approved under Delegated Authority				
Private Sector Housing				
HMO Licences	939.40	3.0%	987.00	5.1%
(Discount of £25 if applicant is a member of a recognised landlord organisation)				
(Discount of £50 if applicant is an accredited Landlord of the Guildford Letting Scheme)				
(Both discounts can not be applied at the same time)				
Late application fee				
Careline				
Weekly Charges				
Sheltered accommodation clients	0.70	8.0%	0.80	14.3%
Elderly Persons dwellings clients	3.40	1.5%	3.60	5.9%
Private Sector Clients (dispersed alarms - Landline)	4.90	3.2%	5.10	4.1%
Responder Services (out of hours)	1.50	3.0%	1.60	7.0%
Private Sector Clients (Digital Units) - NEW CHARGE			6.00	
Caravan Licence				
New Licence Application				
Number of Pitches 1 - 5	398.60	3.0%	419.00	5.1%
Number of Pitches 6 - 15	414.10	3.0%	435.00	5.0%
Number of Pitches 16 - 45	548.00	3.0%	576.00	5.1%
Number of Pitches 46 and greater	597.40	3.0%	628.00	5.1%

* = includes VAT at 20%

	2023-24	Increase	2024-25	Increase
	from 1st		from 1st	
	April 2023		April 2024	
		%		%
Transfer of Existing Licence				
Number of Pitches 1 - 5	144.20	3.0%	152.00	5.4%
Number of Pitches 6 - 15	144.20	3.0%	152.00	5.4%
Number of Pitches 16 - 45	144.20	3.0%	152.00	5.4%
Number of Pitches 46 and greater	144.20	3.0%	152.00	5.4%
Application to vary a Site Licence				
Number of Pitches 1 - 5	251.00	3.3%	264.00	5.2%
Number of Pitches 6 - 15	268.00	3.1%	282.00	5.2%
Number of Pitches 16 - 45	301.00	3.1%	317.00	5.3%
Number of Pitches 46 and greater	352.00	3.5%	370.00	5.1%
Annual Licence Fee				
Number of Pitches 1 - 5	92.00	-80.0%	97.00	5.4%
Number of Pitches 6 - 15	133.00	-74.9%	140.00	5.3%
Number of Pitches 16 - 45	219.00	-66.5%	230.00	5.0%
Number of Pitches 46 and greater	354.00	-49.6%	372.00	5.1%
Fit and Proper Licence Fee (introduced 2021)				
Licence Application Fee	218.00	6.9%	229.00	5.0%
Annual licence fee where up to 1 Condition	234.00	5.9%	246.00	5.1%
Annual licence fee where up to 2 Conditions	351.00	6.4%	369.00	5.1%
Annual licence fee where 3 or more Conditions	418.00	6.4%	439.00	5.0%
Deposit of Site Rules				
Number of Pitches 1 - 5	37.10	3.1%	39.00	5.1%
Number of Pitches 6 - 15	37.10	3.1%	39.00	5.1%
Number of Pitches 16 - 45	37.10	3.1%	39.00	5.1%
Number of Pitches 46 and greater	37.10	3.1%	39.00	5.1%
Scrap Metal				
Site Licence	216.30	3.0%	250.00	15.6%
Mobile Collector	198.80	3.0%	220.00	10.7%

* = includes VAT at 20%

	2023-24	Increase	2024-25	Increase
	from 1st		from 1st	
	April 2023		April 2024	
		%		%

Local Authority Pollution Protection Control

Fees are set by Statute and are available on request from the Environmental Control service.

Hackney Carriages and Private Hire Vehicles

Hackney Carriage Vehicle (new/renew)	276.20	3.0%	276.20	0.0%
Private Hire Vehicle (new/renew)	270.30	3.0%	270.30	0.0%
Hackney Licence Vehicle Change	26.70	3.2%	26.70	0.0%
Vehicle Licence Plates	23.00	3.0%	23.00	0.0%
Private Hire Vehicle Change	26.70	3.2%	26.70	0.0%
Test Fee	59.70	2.9%	59.70	0.0%
Hackney carriage temporary vehicle licence (3 months)	115.10	3.0%	115.10	0.0%
Private hire temporary vehicle licence (3 months)	113.60	3.0%	113.60	0.0%
Private hire vehicle signs (two signs)	26.60	3.1%	26.60	0.0%

Hackney Carriage and Private Hire Drivers

Hackney Drivers Licence Fee (new/renew)	382.60	3.0%	382.60	0.0%
Private Hire Drivers Licence Fee (new/renew)	382.60	3.0%	382.60	0.0%
Hackney Drivers Knowledge Test	45.90	2.9%	45.90	0.0%
Private Hire Drivers Knowledge Test	25.60	3.1%	25.60	0.0%
Private Hire Replacement Badge	14.10	3.2%	14.10	0.0%
Convert from Private Hire Driver to Hackney Carriage Drive	19.20	3.0%	19.20	0.0%
Private Hire Operators Licence	2,289.80	3.0%	2,289.80	0.0%

subject of a report to Licensing Committee date tbc, and a further period of statutory consultation.

* = includes VAT at 20%

	2023-24 from 1st April 2023	Increase %	2024-25 from 1st April 2024	Increase %
Statutory Permits				
Premises licensed to sell alcohol				
- notification (automatic entitlement)	50.00	0.0%	50.00	0.0%
- new application	150.00	0.0%	150.00	0.0%
- fast track application	100.00	0.0%	100.00	0.0%
- change of name	25.00	0.0%	25.00	0.0%
- vary permit	100.00	0.0%	100.00	0.0%
- annual fee	50.00	0.0%	50.00	0.0%
- copy permit	15.00	0.0%	15.00	0.0%
- transfer permit	25.00	0.0%	25.00	0.0%
Prize Gaming Permit				
- new application	300.00	0.0%	300.00	0.0%
- fast track application	100.00	0.0%	100.00	0.0%
- renewal	300.00	0.0%	300.00	0.0%
- change of name	25.00	0.0%	25.00	0.0%
- copy permit	15.00	0.0%	15.00	0.0%
Lotteries				
- registration of society	40.00	0.0%	40.00	0.0%
- renewal (annual fee)	20.00	0.0%	20.00	0.0%
Pavement Licence				
New/Renewal from 1 April 2024 to 30 September 2024	100.00	0.0%	100.00	0.0%
New Application from 1 October 2024			500.00	
Renewal Application from 1 October 2024			350.00	
Pre-Application Advice				
Application checking service	26.26		31.50	20.0%
Application advice service	80.00		96.00	20.0%
Full application advice service	241.19		289.43	20.0%

* = includes VAT at 20%

	2023-24	Increase	2024-25	Increase
	from 1st April 2023	%	from 1st April 2024	
To be approved by Council				
Off Street Car Park Charges				
Contract Car Parking				
Main car parks - Monday to Friday only - Per year	2,604.00	0.0%	on application	
Main car parks - Saturday only - Per year	521.00	0.0%	on application	
Main car parks - Monday to Saturday only - Per year	3,125.00	0.0%	on application	
Stoke Fields, Stoke Road, and Eagle Road car parks - Resident rate - Per year	626.00	0.0%	on application	
Season Ticket Parking				
Farnham Road car park - Monday to Friday only - Per year	2,024.00	0.0%	on application	
Farnham Road car park - Monday to Saturday only - Per year	2,428.00	0.0%	on application	
York Road car park - Monday to Friday only - Per year	2,231.00	0.0%	on application	
York Road car park - Monday to Saturday only - Per year	2,677.00	0.0%	on application	
Bedford Road car park - Monday to Friday only - Per year	2,277.00	0.0%	on application	
Guildford Park car park - Monday to Friday only - Per year	1,061.00	0.0%	on application	
Garages				
Gardner Road, Stoke Fields, Bedford Sheds - Residents only - Per year	815.00	3.4%	856.00	5.0%
Gardner Road, Stoke Fields, Park Road - Non-residents - Per year	1,370.00	3.5%	1,439.00	5.0%
Bedford Road Sheds - Non-resident - Per year	1,960.00	3.4%	2,058.00	5.0%
Penalty Fee Notice				
Pay and display space	25.00	0.0%	on application	
Permit space	35.00	0.0%	on application	

*= includes VAT at 20%

	2023-24 from 1st April 2023	Increase %	2024-25 from 1st April 2024	Increase
Refuse Collection Service				
Special Collection of Household Refuse	tbc		tbc	
For a single item	tbc		tbc	
For 2 to 5 items	tbc		tbc	
For the collection of large quantities with charges being assessed by a Council Inspector				
Domestic Waste per hour or part thereof (Minimum charge 1 hour)	-		on application	
Commercial Waste per hour or part thereof (Minimum 2 hours)	-		on application	
Duty of care certificate	32.00	10.2%	32.00	0.0%
Dog Fouling				
Fixed Penalty Charge				
Replaced by public spaces protection orders (Anti Social Behaviour, Crime and Policing Act 2014)- fines of up to £100 on the spot or up to £1,000 if the matter goes to court				
Approved under Delegated Authority				
Cleansing				
Provision of bins to housing developments & redevelopments				
Initial supply and delivery of one refuse and one recycling standard 140ltr, 240ltr or 360ltr bins to new or refurbished properties	70.00	16.7%	75.00	7.1%
Initial supply and delivery of 770ltr bins to new properties	375.00	23.0%	400.00	6.7%
Initial supply and delivery of 1100ltr bins to new properties	380.00	22.6%	410.00	7.9%
<i>Charges for 770ltr and 1100ltr bins are subject to change to reflect the cost to the Council of purchasing the bins from our supplier.</i>				
Recycling - Green Waste Bins				
Per Bin	48.00	6.7%	58.00	20.8%
Replacement Bin	35.00	16.7%	37.00	5.7%
1 Set of 4 - 60 litre sacks	48.00	6.7%	51.00	6.3%
Refuse				
Replacement Bin	35.00	16.7%	37.00	5.7%

*= includes VAT at 20%

	2023-24	Increase	2024-25	Increase
	from 1st April 2023	%	from 1st April 2024	
Abandoned Vehicles				
Recovery and Release of vehicle	114.60	3.0%	120.00	4.7%
Daily Charge (Monday to Friday)	12.70	2.8%	13.50	6.3%
Streetscene related Penalty Charges				
FPN Fly Tipping	400.00	100.0%	400.00	0.0%
FPN Duty of Care - Commercial	400.00	100.0%	400.00	0.0%
FPN Duty of Care - Domestic	300.00	50.0%	300.00	0.0%
FPN Litter, distribution of printed matter, and graffiti and fly-posting	150.00	200.0%	150.00	0.0%
FPN Failure to produce Waste Transfer Note	300.00	0.0%	300.00	0.0%
FPN Commercial Waste Receptacle Offences	110.00	10.0%	110.00	0.0%
FPN Domestic Waste Receptacle Offences	80.00	33.3%	80.00	0.0%
FPN Nuisance Parking	100.00	0.0%	100.00	0.0%
FPN Abandoning a Vehicle	200.00	0.0%	200.00	0.0%
Fixed Penalty Charge Dog Fouling (PSPO)	100.00	0.0%	100.00	0.0%
Approved by Government				
Public				
MOT	54.80	0.0%	54.80	0.0%
Re-test within 24 hours on minor items	27.40	0.0%	27.40	0.0%
Re-test within 10 days				
Thereafter full cost				
Taxi				
Vehicle Inspection Fee	60.00	3.4%	60.00	0.0%
MOT carried out as part of the Taxi Inspection (to be booked at the same time)	27.40	0.0%	27.40	0.0%
For a full list of charges please contact the MOT bay				

*= includes VAT at 20%

Car Park Type

Shopper

			Current Tariffs			
			Mon-Sat		Sun	
car park	Type	Spaces	Daytime 8am-6pm	Evening 6pm-10pm	Daytime 11am-5pm	Evening 6pm-10pm
Bedford Rd MSCP	Pay and display	1033	<1hr - £3.60 1-2hr - £3.60	£1.50 per visit	<1hr - £2.00 1-2hr - £2.00 2-3hr - £2.00 3-4hr - £4.00 4-5hr - £4.00 5-6hr - £4.00	£1.50 per visit
Castle MSCP	Barrier Pay on Foot	350	2-3hr - £3.60 3-4hr - £7.20 4-5hr - £7.20			
G-Live	Pay and display	220	5-6hr - £7.20 6-7hr - £14.40			
Millbrook	Pay and display	244	7-8hr - £14.40 8-9hr - £14.40			
Tunsgate	Barrier Pay on Foot	64	9-10hr - £14.40			
York Rd MSCP* (capped at £11.00 per day)	Barrier Pay on Foot	605				
subtotal		2516				

Proposed Taffifs			
Mon-Sat		Sun	
Daytime 8am-6pm	Evening 6pm-10pm	Daytime 11am-5pm	Evening 6pm-10pm
<1hr - £4.00 1-2hr - £4.00 2-3hr - £4.00 3-4hr - £8.00 4-5hr - £8.00 5-6hr - £8.00 6-7hr - £16.00 7-8hr - £16.00 8-9hr - £16.00 9-10hr - £16.00	£2.20 per visit	<1hr - £4.00 1-2hr - £4.00 2-3hr - £4.00 3-4hr - £8.00 4-5hr - £8.00	£2.20 per visit

Short-stay

			Mon-Sat		Sun	
Car park	Type	Spaces	Daytime 8am-6pm	Evening 6pm-10pm	Daytime 11am-5pm	Evening 6pm-10pm
Bedford Surface	Pay and display	68	<1hr - £1.80 1-2hr - £3.60 2-3hr - £5.40 3-4hr - £7.20 4-5hr - £10.00 5-6hr - £12.30 6-7hr - £14.60 7-8hr - £16.90 8-9hr - £19.20 9-10hr - £21.50	£1.50 per visit	<1hr - £2.00 1-2hr - £2.00 2-3hr - £2.00 3-4hr - £4.00 4-5hr - £4.00 5-6hr - £4.00	£1.50 per visit
Bright Hill	Pay and display	58				
Commercial Rd 2	Pay and display	52				
Upper High St	Pay and display	49				
Lawn Rd (p-t S&S)*	Pay and display (part-time)	87				
Leapale Rd MSCP	Pay and display	317				
Mary Road	Pay and display	107				
Millmead House (p-t S&S)*	Pay and display (part-time)	27				
North St (p-t M-Th&Sun)*	Pay and display (part-time)	48				
Portsmouth Rd (p-t Eve+S&S)*	Pay and display (part-time)	98				
Robin Hood (p-t S&S)*	Pay and display (part-time)	23				
St Josephs (p-t S&S)*	Pay and display (part-time)	71				
subtotal		1067				

Mon-Sat		Sun	
Daytime 8am-6pm	Evening 6pm-10pm	Daytime 11am-5pm	Evening 6pm-10pm
<1hr - £2.00 1-2hr - £4.00 2-3hr - £6.00 3-4hr - £8.50 4-5hr - £11.00 5-6hr - £13.50 6-7hr - £16.00 7-8hr - £18.50 8-9hr - £21.00 9-10hr - £23.50	£2.20 per visit	<1hr - £2.00 1-2hr - £4.00 2-3hr - £6.00 3-4hr - £8.50 4-5hr - £11.00	£2.20 per visit

Long-stay

			Mon-Sat		Sun	
Car park	Type	Spaces	Daytime 8am-6pm	Evening / Overnight	Daytime 11am-5pm	Evening / Overnight
Farnham Ed MSCP (7am-7pm, 7pm-7am - capped at £9.00 per day)	Barrier Pay on Foot	917	<1hr - £1.10 1-2hr - £2.20 2-3hr - £3.30 3-4hr - £4.40 4-5hr - £5.50 5-6hr - £6.60 6-7hr - £7.70 7-8hr - £8.80 8-9hr - £9.00 9-10hr - £9.00 10-11hr - £9.00 11-12hr - £9.00	<1hr - £0.20 1-2hr - £0.40 2-3hr - £0.60 3-4hr - £0.80 4-5hr - £1.00 5-6hr - £1.20 6-7hr - £1.40 7-8hr - £1.60 8-9hr - £1.80 9-10hr - £2.00 10-11hr - £2.20 11-12hr - £2.40	<1hr - £2.00 1-2hr - £2.00 2-3hr - £2.00 3-4hr - £4.00 4-5hr - £4.00 5-6hr - £4.00	<1hr - £0.20 1-2hr - £0.40 2-3hr - £0.60 3-4hr - £0.80 4-5hr - £1.00 5-6hr - £1.20 6-7hr - £1.40 7-8hr - £1.60 8-9hr - £1.80 9-10hr - £2.00 10-11hr - £2.20 11-12hr - £2.40
Guildford Park (M-S)	Pay and display	220	£6.00 per day £2.00 on Sat	No charge	No charge	No charge
Shalford Park (M-F)	Pay and display	66	£4.00 per day		Not open	
Walnut Tree Close (M-F)	Pay and display	17	£4.00 per day		No charge	
subtotal		1220				

Mon-Sat		Sun	
Daytime 8am-6pm	Evening / Overnight	Daytime 11am-5pm	Evening / Overnight
<1hr - £1.10 1-2hr - £2.20 2-3hr - £3.30 3-4hr - £4.40 4-5hr - £5.50 5-6hr - £6.60 6-7hr - £7.70 7-8hr - £8.80 8-9hr - £9.00 9-10hr - £9.00 10-11hr - £9.00 11-12hr - £9.00	<1hr - £0.20 1-2hr - £0.40 2-3hr - £0.60 3-4hr - £0.80 4-5hr - £1.00 5-6hr - £1.20 6-7hr - £1.40 7-8hr - £1.60 8-9hr - £1.80 9-10hr - £2.00 10-11hr - £2.20 11-12hr - £2.40	<1hr - £2.00 1-2hr - £2.00 2-3hr - £2.00 3-4hr - £4.00 4-5hr - £4.00 5-6hr - £4.00	<1hr - £0.20 1-2hr - £0.40 2-3hr - £0.60 3-4hr - £0.80 4-5hr - £1.00 5-6hr - £1.20 6-7hr - £1.40 7-8hr - £1.60 8-9hr - £1.80 9-10hr - £2.00 10-11hr - £2.20 11-12hr - £2.40
£6.00 per day £2.00 on Sat £4.00 per day £4.00 per day	No charge	No charge	No charge
		Not open	
		No charge	
		No charge	

	2023-24 Increase from 1st April 2023	%	2024-25 from 1st April 2024	Increase
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To be approved by Council

Parks and Open Spaces

Tennis-Stoke Park and Sutherland Memorial Park

Adult per court, per hour	7.00	17.1%	8.00	14.3%
Floodlights only, per hour	6.00		6.00	0.0%
Junior (under 18) & concession price, per court, per hour	5.50	8.5%	5.50	0.0%

Mini Golf - Stoke Park

Adults	5.00	5.5%	5.30	6.0%
Children	3.50	9.6%	3.70	5.7%
Family Ticket (2 adults and 3 under 16's)	14.00	6.2%	15.00	7.1%

Cricket: All sites

Evening 17:00 hrs onwards - Adults (up to 4 hours)	96.00	11.8%	100.00	4.2%
Full Day - Adults (22 yrs)	129.00	11.3%	135.00	4.7%
Standard Pitch - Under 18's	42.00	12.5%	44.00	4.8%
Small Pitch - Junior teams under 15's	31.00	9.4%	33.00	6.5%

Football - All sites

Grass football pitch 3 hours - U18's 11-a-side football	49.00	16.5%	52.00	6.1%
Grass football pitch 3 hours - Adult 11-a-side football	90.00	17.8%	95.00	5.6%
Grass football pitch 90 minutes - 9v9 football	32.00	11.3%	34.00	6.3%
Grass football pitch 90 minutes - 7v7 football	31.00	11.1%	33.00	6.5%
Grass football pitch 90 minutes - 5v5 football	30.00	14.6%	32.00	6.7%
Grass football training (no pitch use) 2 hours - Football training area	27.00	3.1%	29.00	7.4%

Rugby:

Rugby pitch 2 hours - U18s rugby	49.00	16.5%	52.00	6.1%
Rugby pitch 2 hours - Adult rugby	90.00	17.8%	95.00	5.6%
Rugby training (no pitch use) 2 hours - Rugby training area	27.00	3.1%	29.00	7.4%

*= includes VAT at 20%

	2023-24 Increase		2024-25	Increase
	from 1st April 2023		from 1st April 2024	
		%		
Netball - Stoke Park (Adult)	33.00	8.3%	35.00	6.1%
Netball - Stoke Park (School usage and U18)	16.00	6.5%	17.00	6.3%
Softball/Rounders - (Adult)	41.00	9.8%	44.00	7.3%
Softball/Rounders - (School and U18)	23.00	9.4%	25.00	8.7%
Grass Athletics Track - Stoke Park (Adult groups/Organisations) 2 hours	84.00	11.2%	89.00	6.0%
Grass Athletics Track - Stoke Park (Schools and U18 groups) 2 hours	47.00	11.7%	50.00	6.4%
Lacrosse:				
Stoke Park - Adults	84.00	11.2%	89.00	6.0%
Stoke Park - School usage and youth (Under 18's)	47.00	11.7%	50.00	6.4%
Event all Sites				
Price on application (minimum charge £50 per day)			Price on application	
Community events receive a 50% discount				
Charity and 100% fundraising events receive a 60% discount				
Circuses and Fun Fairs				
Per day on site including set up/dismantle (Shalford Common only)			Price on application	
Per day on site (all other sites) if onsite longer than 6 days receive a 5% discount				
Set up/dismantle fee per day				
Filming all Sites: -				
Per Event - Per Day on Site (Negotiable) Minimum £50 - Maximum £1,000 per day			Price on application	
Fitness Sessions			Price on application	
Forest school use of site - per child per visit	2.30	11.7%	2.30	0.0%
Car Parking Only All Sites:				
Per Day on Site (not in conjunction with event hire)			Price on application	
Commemorative Benches (All sites)			Price on application	

*= includes VAT at 20%

	2023-24 Increase from 1st April 2023		2024-25 Increase from 1st April 2024	
		%		%
Shalford Park:				
Camping and Caravanning (Club Use) - per unit per night	11.50	15.1%	11.85	3.0%
Chantries Camp Site: per person per day/night				
Minimum charge for groups of 3 persons or under	10.50	10.5%	11.00	4.8%
Children age 4 to 16, scouts and affiliated groups (under 4s free)	35.00	16.7%	40.00	14.3%
	5.00	5.3%	5.50	10.0%
Sutherland Memorial Park				
Astro Pitch 5-a-side				
All - per court per hour before 4pm (Weekdays and weekend)	10.00	5.9%	11.00	10.0%
5-a-side Football per court per hour including floodlights - Adults	48.00	11.8%	50.00	4.2%
5-a-side Football per court per hour including floodlights - Youth (Under 18's)	24.00	9.6%	25.00	4.2%
Balloon Flights				
Seasonal annual agreement paid in advance for take off rights per site	708.00	8.9%	730.00	3.1%
Greenark				
Commercial - Each hour or part	no longer available			
Community - Each hour or part	no longer available			
For regular users book 10 and receive 10% discount				

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase
	from 1st April 2023		from 1st April 2024
		%	

Approved under Delegated Authority

Guildford Crematorium

Cremation Fees

For the cremation of a child whose age at death did not exceed 18 years (incl medical referee fees)

No charge

For the standard attended cremation of a person whose age at the time of death exceeded 18 years includes 30 minutes in chapel, use of computerised music system, cremation, medical referee fees, ashes container suitable for transportation and storage only, laying to rest of ashes in the Gardens of Remembrance at the crematorium. (New fee from 01.10.2023)

	1049.00	7.6%	1140.00	8.7%
Saturday cremation (09:00 am - 12 noon)	1350.00	8.0%	1450.00	7.4%
Non attended service cremation	399.00	-19.4%	410.00	2.8%
Cancellation of diary booking with less than 48 hours notice and late delivery of papers	160.00	10.3%	168.00	5.0%
Service of double or additional length; per 45 minutes additional fee of:	315.00	14.5%	350.00	11.1%
Service which exceeds the allocated timeslot of 30 minutes	395.00	25.4%	415.00	5.1%
Cremation of a child on a Saturday (9am - 12 noon)			No charge	No charge
Cremation of Non Viable Foetus (NVF) (up to 24 weeks gestation)			No charge	No charge
Fee for exhuming ashes if not for re-internment within the grounds	140.00	12.0%	160.00	14.3%
Certificate of cremation / burial duplicate copy (previously under delegated authority)	25.00	100.0%	28.00	12.0%
Non standard attended cremation committal only (previously under delegated authority)	720.00	100.0%		

Possible price increase might have to be introduced to add to cremation fee depending on rising utility costs.

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023		from 1st April 2024	
		%		%
Urns and Containers				
Ashes Container	27.00	8.0%	30.00	11.1%
Wooden Casket	90.00	12.5%	100.00	11.1%
Decorative Urns	138.00	10.4%	155.00	12.3%
Decorative keepsake urns	45.00	12.5%	50.00	11.1%
Scatter tubes	50.00	8.7%	55.00	10.0%
Child Scatter tubes	18.00	9.1%	20.00	11.1%
Deposit of Ashes				
has taken place elsewhere	125.00	8.7%	135.00	8.0%
separate scattering elsewhere.	60.00	15.4%	65.00	8.3%
Per split there after	15.00		18.00	20.0%
			10.00	
Memorials and Inscriptions				
Entries in the Book of Remembrance				
2 line entry	120.00	9.1%	130.00	8.3%
5 line entry	158.00	9.0%	170.00	7.6%
5 line entry with motif	248.00	7.8%	265.00	6.9%
8 line entry	195.00	8.3%	205.00	5.1%
8 line entry with motif	285.00	9.6%	300.00	5.3%
Motif	90.00	9.8%	95.00	5.6%
Replicas of entries in Book of Remembrance Memorial Cards				
2 line entry	46.00	9.5%	50.00	8.7%
5 line entry	72.00	9.1%	80.00	11.1%
5 line entry with motif	162.00	9.5%	175.00	8.0%
8 line entry	92.00	9.5%	98.00	6.5%
8 line entry with motif	182.00	9.6%	193.00	6.0%
Motif	90.00	9.8%	95.00	5.6%

*= includes VAT at 20%

	2023-24 Increase from 1st April 2023		2024-25 Increase from 1st April 2024	
		%		%
Miniature Books of Remembrance				
2 line entry	105.00	9.4%	115.00	9.5%
5 line entry	150.00	9.5%	162.00	8.0%
5 line entry with motif	240.00	9.6%	257.00	7.1%
8 line entry	168.00	9.8%	178.00	6.0%
8 line entry with motif	258.00	9.8%	273.00	5.8%
Motif	90.00	9.8%	95.00	5.6%
Adoption of Rose Trees (including nameplate)				
Standard Roses (5 years) with aluminium plaque	670.00	8.9%	750.00	11.9%
Renewals after initial period:				
(a) 5 years	385.00	8.5%	420.00	9.1%
(b) 1 year	120.00	9.1%	130.00	8.3%
Trees 5 years with aluminium plaque	995.00	15.7%	1100.00	10.6%
Trees 10 years with aluminium plaque	1750.00	14.4%	1910.00	9.1%
Renewals after initial period:				
(a) 5 years	645.00	8.4%	700.00	8.5%
(b) 1 year	185.00	8.8%	205.00	10.8%
Plaques				
Aluminium Plaque with existing memorial	145.00	11.5%	160.00	10.3%
Granite Plaque (6 x 4) with existing memorial	335.00	8.1%	360.00	7.5%
Granite Plaque (7 x 5) with existing memorial	390.00	6.8%	420.00	7.7%
Additional artwork on granite plaque			on application	
Additional artwork on an aluminium plaque			on application	
Photo plaque on granite plaque			on application	
Seats				
Seats wooden 5 feet length (for a period of 10 years)	2190.00	9.8%	2300.00	5.0%
Replacement or additional seat plaque 6" x 2"	165.00	5.8%	175.00	6.1%
Photo plaque on a granite seat plaque				
Non standard motif on a granite seat plaque				
Standard motif on a granite seat plaque				
Restraining Charge	25.00	38.9%	30.00	20.0%

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023		from 1st April 2024	
		%		
Memorial Vault - Sanctum including wooden casket				
(a) 10 year adoption	1735.00	9.8%	1900.00	9.5%
(b) 20 year adoption	2405.00	9.3%	2600.00	8.1%
(c) 30 year adoption	3310.00	9.8%	3590.00	8.5%
(d) 40 year adoption	4050.00	9.5%	4500.00	11.1%
(e) 50 year adoption	4945.00	9.9%	5400.00	9.2%
Per Letter after first 80 letters	4.00	9.6%	5.00	25.0%
Standard motif	270.00	10.2%	290.00	7.4%
Non standard motif			POA	
Photo plaque	160.00	10.3%	175.00	9.4%
Replacement Vault Tablet - Sanctum 2	455.00	9.6%	505.00	11.0%
Sanctum Replacement Vault Tablet (up to 80 letters) Sanctum 2000	435.00	8.8%	490.00	12.6%
Memorial Vault - Renewal 5 years	405.00	8.0%	450.00	11.1%
Memorial Vault - Renewal 10 years	800.00	6.0%	910.00	13.8%
Memorial Vault - Renewal 20 years	1590.00	7.8%	1800.00	13.2%
Vase Blocks - 10 years				
Standard motif on a vase block	755.00	8.6%	800.00	6.0%
Non standard motif on a vase block	265.00	8.2%	280.00	5.7%
Photo plaque on a vase block	115.00	9.5%	125.00	8.7%
Renewal of Vase Block for 5 years	350.00	9.4%	386.00	10.3%
Replacement of Vase in memorial vaults	20.00	11.1%	25.00	25.0%
Replacement of Vase in vase blocks	20.00	11.1%	25.00	25.0%
Replacement vase for vaseblock vault	20.00	11.1%	25.00	25.0%

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023		from 1st April 2024	
		%		%
Sundials				
Sundial Tablets Older style- Lower Tablet (when available)	780.00	9.9%	855.00	9.6%
Sundial Tablets Older style- Middle Tablet (when available)	730.00	9.0%	800.00	9.6%
Sundial Tablets Older style- Top Tablet (when available)	665.00	9.0%	725.00	9.0%
Renewal of a Sundial Tablets Older style- Lower Tablet - 5 years	355.00	9.2%	390.00	9.9%
Renewal of a Sundial Tablets Older style- Middle Tablet - 5 years	355.00	9.2%	385.00	8.5%
Renewal of a Sundial Tablets Older style- Top Tablet - 5 years	355.00	9.2%	385.00	8.5%
Replacement sundial tablet	295.00	9.3%	325.00	10.2%
New Sundial Tablet first row for a period of 10 years	680.00	8.8%	735.00	8.1%
New Sundial Tablet second row for a period of 10 years	680.00	8.8%	735.00	8.1%
New Sundial Tablet third row for a period of 10 years	715.00	9.2%	780.00	9.1%
New Sundial Tablet fourth row for a period of 10 years	725.00	9.0%	785.00	8.3%
New Sundial Tablet fifth row for a period of 10 years	775.00	9.2%	830.00	7.1%
Standard motif on a sundial tablet	260.00	8.3%	285.00	9.6%
Photo plaque on a sundial tablet				
Photo plaque under Sundial Tablets for 10 years - Newer style				
Non standard motif on a sundial tablet				
Children's Memorial Garden				
Rockery Boulder for 5 years	295.00	7.3%	315.00	6.8%
Memorial mushroom plaque for 5 years	295.00	7.3%	315.00	6.8%
Private gardens	1035.00	8.4%	1100.00	6.3%
Use of Chapel for Memorial Service (no cremation)	700.00	5.3%	765.00	9.3%
Reproduction of cremation certificate	28.00	7.7%	30.00	7.1%
Assistance with bearing of a coffin into the chapel	55.00	14.6%	60.00	9.1%
Assistance with bearing of a coffin into the chapel with no notice	85.00	30.8%	95.00	11.8%
Cemeteries				
Guildford, Stoke New and Old Cemeteries - Interments				
For the interment in a grave in respect of which an exclusive right of burial has not been granted:-				
Unpurchased grave for a child			No charge	No charge
Unpurchased grave for an adult	550.00	3.7%	580.00	5.5%

*= includes VAT at 20%

	2023-24 Increase from 1st April 2023	%	2024-25 from 1st April 2024	Increase
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Resident

For the interment in a grave which has already been purchased - the body of a person exceeding 18 years

To a single depth (5ft)	1025.00	9.5%	1150.00	12.2%
To a double depth (7ft)	1135.00	9.7%	1260.00	11.0%
Interment of cremated remains in a grave	435.00	8.8%	460.00	5.7%
Interment of cremated remains in cremated remains plots at Stoke Cemetery	435.00	8.8%	460.00	5.7%

For the interment in a grave which has already been purchased - the body of a child not exceeding 18 years

To a single depth (5ft)			No charge	No charge
To a double depth (7ft)			No charge	No charge
Interment of cremated remains in a grave			No charge	No charge
Interment of cremated remains in cremated remains plots at Stoke Cemetery			No charge	No charge

The fee for interment apply only between the hours of 10am and 5pm on a weekday. Should the interment take place outside the stipulated times than an additional fee is payable of:

For every hour after 5pm	555.00	9.9%	600.00	8.1%
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For every hour after 5pm	120.00	9.1%	132.00	10.0%
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Exclusive Rights of Burial in Earthen Graves:

Traditional and Lawn Section

In an earthen grave 7ft 6 ins x 3ft 6 ins	2400.00	11.6%	2550.00	6.3%
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In an earthen grave 6ft x 3ft - Children's section				
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Extension of Exclusive Right of Burial for additional five years	400.00	12.7%	430.00	7.5%
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Garden of Remembrance (Cremated remains)	685.00	8.7%	730.00	6.6%
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The fees indicated for the various heads of this section include the Deed of Grant and all the expenses thereof for a period of 30 years.

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023		from 1st April 2024	
		%		%
Memorials				
Permit to erect a memorial	275.00	10.0%	295.00	7.3%
Permit to erect a vase with inscription	80.00	-33.3%	85.00	6.3%
Permit to erect a vase without inscription	10.00		12.00	20.0%
Permit to clean a memorial	20.00	25.0%	22.00	10.0%
Permit for added inscription which requires removal of stone	250.00	6.4%	275.00	10.0%
Permit for added inscription (done on site)	125.00	6.8%	135.00	8.0%
Permit for remedial repair	50.00	6.4%	55.00	10.0%
1 year permit to clean a memorial	15.00		20.00	33.3%
Memorial Vault - Sanctum				
(a) 10 year adoption	1735.00	9.1%	1900.00	9.5%
(b) 20 year adoption	2405.00	9.3%	2600.00	8.1%
(c) 30 year adoption	3310.00	9.8%	3500.00	5.7%
(d) 40 year adoption	4050.00	9.5%	4500.00	11.1%
(e) 50 year adoption	4945.00	9.9%	5300.00	7.2%
Per Letter after first 80 letters	4.00	9.6%	4.50	12.5%
Standard motif	265.00	8.2%	290.00	9.4%
Non standard motif				
Photo plaque	155.00	6.9%	165.00	6.5%
Sanctum Replacement Vault Tablet (up to 80 letters) Sanctum 2000	435.00	8.8%	470.00	8.0%
Memorial Vault - Renewal 5 years	405.00	8.0%	435.00	7.4%
Memorial Vault - Renewal 10 years	825.00	9.3%	860.00	4.2%
Memorial Vault - Renewal 20 years	1605.00	8.8%	1680.00	4.7%
Miscellaneous Charges				
Exhumation of a coffin or ashes casket: Fees to be assessed by the Registrar:			POA	
Certified Copy of title deed of burial	25.75	3.0%	28.00	8.7%
Transfer of grant of right of burial	115.00	9.5%	125.00	8.7%
Addition of grave owners after rights issued/transferred	30.00	0.0%	35.00	16.7%
Digging fee for cremated remains when LTR takes place alongside fullbody burial in same grave at different depths	120.00		145.00	20.8%
Cemeteries - Non Residents of Guildford Borough Fees				

*= includes VAT at 20%

	2023-24 Increase from 1st April 2023		2024-25 Increase from 1st April 2024	
		%		%
Guildford, Stoke New and Old Cemeteries - Interments				
For the interment in a grave in respect of which an exclusive right of burial has not been granted:-				
Unpurchased grave for a child			No charge	No charge
Unpurchased grave for an adult	546.30	3.0%	575.00	20.8%
For the interment in a grave in which a grave has already been purchased the body of a person exceeding 18 years				
To a single depth (5ft)	2050.00	9.3%	2250.00	9.8%
To a double depth (7ft)	2260.00	9.2%	2450.00	8.4%
Interment of cremated remains in a grave	870.00	8.6%	980.00	12.6%
Interment of cremated remains in the Garden of Remembrance	870.00	8.6%	980.00	12.6%
The fee for interment apply only between the hours of 10am and 5pm on a weekday. Should the interment take place outside the stipulated times than an additional fee is payable of:				
For every hour after 5pm	510.00	8.5%	540.00	5.9%
	125.00	13.6%	140.00	12.0%
Exclusive Rights of Burial in Earthen Graves:				
Traditional and Lawn Section				
In an earthen grave 7ft 6 ins x 3ft 6 ins	4600.00	9.4%	4950.00	7.6%
In an earthen grave 6ft x 3ft - Children's section	2100.00	9.1%	No charge	No charge
Extension of Exclusive Right of Burial for additional five years	775.00	9.2%	850.00	9.7%
Garden of Remembrance (Cremated remains)	1365.00	9.2%	1460.00	7.0%
The fees indicated for the various heads of this section include the Deed of Grant and all the expenses thereof for a period of 30 years.				

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023		from 1st April 2024	
		%		%
Obitus				
Webcasts				
Webcast live only	32.50	8.3%	35	7.0%
Webcast of funeral service - 28 day viewing and free download	50.00	11.1%	55	7.0%
Keepsake copy of webcast first copy	55.00	10.0%	60	7.0%
Keepsake copy of webcast second copy	27.00	8.0%	30	7.0%
Keepsake copy of visual tribute (first copy)	55.00	10.0%	60	7.0%
Keepsake copy of visual tribute (second copy)	27.00	8.0%	29	7.0%
Downloadable of Pro tribute Package only (keep forever)	11.00	10.0%	12	7.0%
Visual Tributes				
single photo (first)	free of charge		No charge	7.0%
single photo per photo thereafter	13.50	12.5%	15	7.0%
Slideshow upto and including 25 images	45.00	18.4%	50	7.0%
family made	22.00	22.2%	25	7.0%
Pro tribute (upto and including 25 images and personalised title presented as video)	77.00	10.0%	85	7.0%
Tribute misc				
Each extra 25 photos (slideshow and protribute packages_)	22.50	7.1%	25	7.0%
Extra work	22.50	7.1%	25	7.0%
Services for young people aged 18 and under - live webcast, single photo and webcast alternatively if another service chosen credit of these items may be applied.	free of charge		No charge	
Themed Tribute			105	7.0%
keepsake item			175	7.0%
Bespoke Tribute			425	7.0%
Keepsake Video Book displaying webcast or visual tribute or both			105	7.0%
tribute or both and one keepsake DVD			145	7.0%

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023	%	from 1st April 2024	

To be approved by Council

Statutory Planning Fees can be found by referring to current government legislation.

The Planning Portal is the UK online planning and building regulations resource-
<http://www.planningportal.gov.uk/planning/planningpolicyandlegislation/currentlegislation/statutoryinstruments>

Decision Notices

Planning Decisions (TP3s) - post 2005 on website	22.50	4.7%	24.00	6.7%
Planning Appeal Decisions - post 2005 on website	22.50	4.7%	24.00	6.7%
Planning Legal agreements (Section 106 etc.) - if available on website (New)	22.50	4.7%	24.00	6.7%
Tree Preservation Orders (if available on website)	22.50	4.7%	24.00	6.7%
BC Completion Certificate pre 2001	22.50	4.7%	24.00	6.7%
BC Completion Letter pre 1991	22.50	4.7%	24.00	6.7%

Section 106 Agreements monitoring fee

	800.00	3.6%	840.00	5.0%
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Self-build and Custom Housebuilding Register

Initial entry on the register	29.00	3.6%	31.00	6.9%
Initial entry fee for additional members of an Association	12.00	4.3%	13.00	8.3%
Initial entry onto Part 2 of the register	12.00	4.3%	13.00	8.3%
Annual fee for remaining on Part 1 and Part 2 the register	12.00	4.3%	13.00	8.3%

All charges are per document

If the above information is not available on our website the photocopying charges listed below will apply:-

Photocopy Charges

Plan Copying(A2-A0)	15.50	3.3%	16.50	6.5%
Photocopying Charges (black and white A4)	0.60	20.0%	0.70	16.7%
Photocopying Charges (black and white A3)	0.60	20.0%	0.80	33.3%
Photocopying Charges (colour A4)	1.10	10.0%	1.20	9.1%
Photocopying Charges (colour A3)	1.10	10.0%	1.40	27.3%

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023	%	from 1st April 2024	
Supply of information to professional organisations				
General enquiries (one off charge)	80.00	3.9%	85.00	6.3%
Tables A,B, C, (domestic) D and E (commercial) for Building Control fees are available on the web site or from the Building Control office				
Pre Application Advice				
Householder and new dwellings				
Category: BRONZE				
Householder	85.50	3.0%	90.00	5.3%
1-4 dwellings	265.80	3.0%	280.00	5.3%
5-9 dwellings	530.50	3.0%	560.00	5.6%
10-49 dwellings	796.20	3.0%	840.00	5.5%
Category: SILVER				
Householder	191.60	3.0%	210.00	9.6%
1-4 dwellings	478.00	3.0%	510.00	6.7%
5-9 dwellings	742.70	3.0%	780.00	5.0%
10-49 dwellings	1060.90	3.0%	1120.00	5.6%
50+ dwellings	2652.30	3.0%	2900.00	9.3%
Category: GOLD				
Householder				
1-4 dwellings				
5-9 dwellings	1273.10	3.0%	1340.00	5.3%
10-49 dwellings	1857.10	3.0%	1950.00	5.0%
50+ dwellings	5304.50	3.0%	5570.00	5.0%
Category: PLATINUM				
Householder	Not applicable			
1-4 dwellings	Not applicable			
5-9 dwellings	Not applicable			
10-49 dwellings	Price on application			
50+ dwellings	Price on application			

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023		from 1st April 2024	
		%		
Extras				
Additional plans				
Householder	Not applicable	0.0%	60.00	
1-4 dwellings	179.30	3.0%	190.00	6.0%
5-9 dwellings	356.40	3.0%	380.00	6.6%
10-49 dwellings	599.50	3.0%	630.00	5.1%
50+ dwellings	897.20	3.0%	950.00	5.9%
Other (listed building, advertisements, agricultural, telecommunications and trees)	179.30	3.0%	190.00	6.0%
Additional meetings				
Householder	Not applicable		60.00	
1-4 dwellings	356.40	3.0%	380.00	6.6%
5-9 dwellings	478.00	3.0%	510.00	6.7%
10-49 dwellings	716.90	3.0%	760.00	6.0%
50+ dwellings	954.90	3.0%	1020.00	6.8%
Other (listed building, advertisements, agricultural, telecommunications and trees)	356.40	3.0%	380.00	6.6%
Commercial and other development				
Category: BRONZE				
Commercial up to 250 sq metres	179.30	3.0%	200.00	11.5%
Commercial up to 500 sq metres	297.70	3.0%	330.00	10.8%
Commercial up to 1000 sq metres	478.00	3.0%	530.00	10.9%
Commercial up to 2500 sq metres	599.50	3.0%	650.00	8.4%
Commercial over 2500 sq metres	897.20	3.0%	970.00	8.1%
Other (listed building, advertisements, agricultural, telecommunications and trees)	Not applicable			
Category: SILVER				
Commercial up to 250 sq metres	297.70	3.0%	320.00	7.5%
Commercial up to 500 sq metres	424.40	3.0%	460.00	8.4%
Commercial up to 1000 sq metres	780.80	3.0%	830.00	6.3%
Commercial up to 2500 sq metres	897.20	3.0%	970.00	8.1%
Over 2500 sq metres	1220.60	3.0%	1300.00	6.5%
Other (listed building, advertisements, agricultural, telecommunications and trees)	424.40	3.0%	460.00	8.4%

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023		from 1st April 2024	
		%		

Category: GOLD

Commercial up to 250 sq metres				
Commercial up to 500 sq metres	897.20	3.0%	1000.00	11.5%
Commercial up to 1000 sq metres	1023.90	3.0%	1100.00	7.4%
Commercial up to 2500 sq metres	1803.60	3.0%	1950.00	8.1%
Over 2500 sq metres	2387.60	3.0%	2600.00	8.9%
Other (listed building, advertisements, agricultural, telecommunications and trees)	954.90	3.0%	1030.00	7.9%

Category: PLATINUM

Commercial up to 250 sq metres	Not applicable		Not applicable	
Commercial up to 500 sq metres	Not applicable		Not applicable	
Commercial up to 1000 sq metres	Not applicable		Not applicable	
Commercial up to 2500 sq metres	Not applicable		Not applicable	
Over 2500 sq metres	Price on application		Price on application	
Other (listed building, advertisements, agricultural, telecommunications and trees)	Not applicable		Not applicable	

Extras

Additional plans

Commercial up to 250 sq metres	89.70	3.1%	97.00	8.1%
Commercial up to 500 sq metres	179.30	3.0%	190.00	6.0%
Commercial up to 1000 sq metres	356.40	3.0%	390.00	9.4%
Commercial up to 2500 sq metres	599.50	3.0%	650.00	8.4%
Commercial over 2500 sq metres	897.20	3.0%	950.00	5.9%
Other (listed building, advertisements, agricultural, telecommunications and trees)	179.30	3.0%	190.00	6.0%

Meeting

Commercial up to 250 sq metres				
Commercial up to 500 sq metres	356.40	3.0%	390.00	9.4%
Commercial up to 1000 sq metres	478.00	3.0%	520.00	8.8%
Commercial up to 2500 sq metres	716.90	3.0%	760.00	6.0%
Commercial over 2500 sq metres	954.90	3.0%	1020.00	6.8%
Other (listed building, advertisements, agricultural, telecommunications and trees)	356.40	3.0%	380.00	6.6%

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023	%	from 1st April 2024	

No charge will be made for:

- advice given during the process of a planning application
- advice given to non- profit making organisations/ charities/ hospitals/ *statutory bodies (up to the point where professional agents are appointed)
- advice on proposals relating to disabled living

Parish councils will receive 50% off the fee

* a statutory body is based on the definition set out in the General Development Order

Planning performance agreements

For major applications only (residential or commercial)

Deposit	500.00	0.0%	550.00	10.0%
Subsequent costs			Price on application	

Charges for tree advice- for a site visit and written response

Pre- application advice on works to trees (TPO and conservation area)

First hour	90.70	3.1%	100.00	10.3%
Per subsequent hours	59.80	3.1%	65.00	8.7%

General tree advice

First hour	90.70	3.1%	100.00	10.3%
Per subsequent hours	59.80	3.1%	65.00	8.7%

Tree survey on proposed development site

Per hour	90.70	3.1%	100.00	10.3%
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High Hedges

	636.60	3.0%	690.00	8.4%
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Conservation Area Character Appraisals and Landscape Character Assessments are available to download for free on our website- price on application for printed copies

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023		from 1st April 2024	
		%		%
Local Plan Documents				
Examination Documents				
Guildford borough Local Plan Strategy and Sites Adopted 25th April 2019	50.50	3.1%	53.00	5.0%
Submission Local Plan: strategy and sites - Main Modifications (2018)	46.00	2.2%	49.00	6.5%
Schedule of Main Modifications to the Plan (2018)	16.00	3.2%	17.00	6.3%
Schedule of Minor Modifications to the Plan (2018)	16.00	3.2%	17.00	6.3%
Submission Documents				
Submission Local Plan: strategy and sites (2017)	46.50	3.3%	49.00	5.4%
Guildford borough Proposed Submission Local Plan: strategy and sites (2016)	46.50	3.3%	49.00	5.4%
Schedule of proposed minor modifications to Submission Local Plan (2017)	16.00	3.2%	17.00	6.3%
Track changed version of Submission Local Plan (2017)	46.50	3.3%	49.00	5.4%
Sustainability Appraisal (SA) and Non-technical Summary (2017)	28.00	1.8%	30.00	7.1%
Habitat Regulations Assessment (HRA) (2017)	17.50	2.9%	19.00	8.6%
Equalities Impact Assessment (EIA) Screening (2014)	3.50	7.7%	4.00	14.3%
Local Development Scheme (LDS) (2017)	3.50	7.7%	4.00	14.3%
Consultation Statement (2017)	143.20	3.0%	155.00	8.2%
Community Involvement in Planning (2013)	9.50	2.7%	10.00	5.3%
Monitoring Report 2016/17 (2017)	9.50	2.7%	10.00	5.3%
Housing				
West Surrey Strategic Housing Market Assessment (SHMA) (2015)	35.00	2.9%	37.00	5.7%
West Surrey SHMA - Guildford Summary Report (2015)	10.00	5.3%	11.00	10.0%
West Surrey SHMA: Guildford Addendum Report 2017 (2017)	16.50	3.1%	18.00	9.1%
Review of Housing Needs Evidence across West Surrey HMA (2017)	10.00	5.3%	11.00	10.0%
Traveller Accommodation Assessment (TAA) (2017)	17.50	2.9%	19.00	8.6%
Land Availability Assessment (LAA) (2017)	78.00	2.6%	82.00	5.1%
Land Availability Assessment (LAA) (2016)	78.00	2.6%	82.00	5.1%
Employment				
Employment Land Needs Assessment (ELNA) (2017)	17.50	2.9%	18.50	5.7%
West Surrey Functional Economic Market Area (FEMA) (2016)	3.50	7.7%	4.00	14.3%
Retail and Leisure Update Study (2014)	33.00	3.1%	35.00	6.1%
Guildford Retail and Leisure Study Addendum (2017)	10.00	5.3%	11.00	10.0%

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023	%	from 1st April 2024	
Protecting and Design				
Historic Environment Information (2016)	48.00	3.2%	51.00	6.3%
Environmental Sustainability and Climate Change Study (2013)	13.00	4.0%	14.00	7.7%
Assessment of the Viability of Carbon Emission Targets for New Builds (2017)	28.00	3.7%	30.00	7.1%
Guildford Renewable Energy Mapping Study (2015)	16.00	3.2%	17.00	6.3%
Green Belt and Countryside Study , Volumes I – VI	366.00	3.0%	385.00	5.2%
Green Belt and Countryside Study - volume I	31.00	3.3%	33.00	6.5%
Green Belt and Countryside Study - volume II	71.00	2.9%	75.00	5.6%
Green Belt and Countryside Study - volume II appendix III	135.50	3.0%	143.00	5.5%
Green Belt and Countryside Study - volume III	61.00	3.4%	65.00	6.6%
Green Belt and Countryside Study - volume III appendix VI	53.50	2.9%	58.00	8.4%
Green Belt and Countryside Study - volume IV	48.50	3.2%	51.00	5.2%
Green Belt and Countryside Study - volume V	137.00	3.0%	144.00	5.1%
Green Belt and Countryside Study - volume VI	5.50	4.8%	6.00	9.1%
Landscape Character Assessment (4 volumes) (2007):				
- Volume 1 - Rural Assessment	28.00	3.7%	30.00	7.1%
- Volume 2 - Rural-Urban Fringe Assessment	22.00	2.3%	25.00	13.6%
- Volume 3 - Townscape Assessment	22.00	2.3%	25.00	13.6%
- Volume 4 - Countryside Character Areas	5.50	4.8%	6.00	9.1%
Surrey Hills AONB Areas of Search Natural Beauty Evaluation Report (2013)	11.50	4.5%	13.00	13.0%
Thames Basin Heaths Special Protection Area Avoidance Strategy Supplementary Planning Document (2017)	11.50	4.5%	14.00	21.7%
Sites of Nature Conservation Importance (SNCI) Surveys 2004-2007	10.00	5.3%	11.00	10.0%
SNCI Survey Report – Former Wisley airfield (2016)	11.50	4.5%	14.00	21.7%
SNCI Survey Report – Little Flexford (2016)	9.50	2.7%	10.00	5.3%
Strategic Flood Risk Assessment (SFRA)				
- Level 1 SFRA: Summary Report (2016)	6.00	4.3%	7.00	16.7%
- Level 1 SFRA: Volume 1 - Final Decision Support	13.50	3.8%	15.00	11.1%
- Level 1 SFRA: Volume 2 - Technical Report (2016)	12.00	4.3%	13.00	8.3%
- Level 1 SFRA: Flood risk Sequential and Exception Test (2017)	10.50	5.0%	12.00	14.3%
- Level 2 SFRA (2016)	25.00	2.0%	26.50	6.0%
- Level 2 SFRA: 2017 Addendum (2017)	9.50	2.7%	10.00	5.3%
Surface Water Management Plan (Six documents)	22.00	2.3%	24.00	9.1%

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023	%	from 1st April 2024	
Infrastructure and Delivery				
Guildford borough Infrastructure baseline (Guildford Borough Council, July 2013)	27.00	3.8%	28.50	5.6%
Guildford borough Infrastructure Delivery Plan (IDP) (Guildford Borough Council, December 2017)	16.50	3.1%	17.50	6.1%
Local Plan and CIL Viability Study (2016)	16.50	3.1%	17.50	6.1%
Local Plan Viability Update (2017)	10.00	5.3%	11.00	10.0%
Guildford Education Review (2016)	6.00	4.3%	6.50	8.3%
Open Space, Sports and Recreation Assessment (2017)	55.00	2.8%	58.00	5.5%
Guildford Assessment of Sites for Amenity Value (2017)	20.00	2.6%	21.00	5.0%
Settlement Hierarchy Study (2014)	24.00	2.1%	26.00	8.3%
Settlement Profiles (2013)	21.00	2.4%	23.00	9.5%
Water Quality Assessment (2017)	9.50	2.7%	10.00	5.3%
Transport				
Guildford Borough Transport Strategy 2017 (December 2017)	11.50	4.5%	13.00	13.0%
Strategic Highway Assessment for the Guildford borough Proposed Submission: strategy and sites (various years)	19.50	2.6%	20.50	5.1%
Study of performance of A3 trunk road interchanges in Guildford urban area to 2024 under development sc	16.50	3.1%	17.50	6.1%
Study of performance of A3 trunk road interchanges in Guildford urban area to 2024 under development sc	16.50	3.1%	17.50	6.1%
Guildford Town and Approaches Movement Study (2015)	66.00	3.1%	70.00	6.1%
Guildford Town Centre Parking Strategic Review (2013)	16.50	3.1%	17.50	6.1%
A Sustainable Parking Strategy for Guildford 2016 (Guildford Borough Council, 2016)	11.00	2.3%	12.00	9.1%
Parking Business Plan 2017 (Guildford Borough Council, 2017)	11.00	2.3%	12.00	9.1%
Draft Guildford Town Centre Vision (Allies and Morrison Urban Practitioners, June 2014)	16.50	3.1%	17.50	6.1%
Guildford Town Centre and Hinterland Masterplan Report: Final draft report for consultation (various years)	28.00	3.7%	29.50	5.4%
Guildford Town Centre Regeneration Strategy 2017 (Guildford Borough Council, January 2017)	16.50	3.1%	17.50	6.1%
Guildford Local Cycling Plan (Surrey County Council, undated circa 2015) [Accessed 6/12/2017]	16.50	3.1%	17.50	6.1%

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023	%	from 1st April 2024	
Other Supporting Documents				
Habitat Regulations Assessment (HRA) Screening (2013)	10.50	2.4%	12.00	14.3%
Sustainability Appraisal (SA) Scoping Report (2013)	11.00	2.3%	12.00	9.1%
SA site assessment criteria	5.50	4.8%	6.00	9.1%
Guildford borough Local Plan Strategy and Sites Issues and Options (2013)	33.00	3.1%	35.00	6.1%
Community Engagement Statement (Issues and Options) (2014)	11.00	2.3%	12.00	9.1%
Initial Sustainability Appraisal (SA) (2013)	27.00	2.9%	29.00	7.4%
Statement of Community Engagement (draft Local Plan) (2014)	5.50	4.8%	6.00	9.1%
Interim Sustainability Appraisal (SA) Report (2014)	16.50	3.1%	17.50	6.1%
Sustainability Appraisal (SA) of the Guildford borough Local Plan (2016)	27.00	2.9%	29.00	7.4%
Sustainability Appraisal (SA) non-technical summary (2016)	3.50	7.7%	4.00	14.3%
Guildford Local Plan HRA update May 2018	16.50	3.1%	17.50	6.1%
Neighbourhood Plans				
Burpham Neighbourhood Plan	16.50	3.1%	17.50	6.1%
Effingham Neighbourhood Plan	16.50	3.1%	17.50	6.1%
East Horsley Neighbourhood Plan	16.50	3.1%	17.50	6.1%
Topic Papers				
Topic paper: Duty to Cooperate (2017)	73.00	2.8%	77.00	5.5%
Topic paper: Transport (2017)	24.00	5.5%	26.00	8.3%
Topic paper: Green Belt and Countryside (2017)	15.50	3.3%	16.50	6.5%
Topic paper: Housing Delivery (2017)	12.50	2.0%	13.50	8.0%
Topic paper: Employment (2017)	13.40	3.1%	14.50	8.2%
Topic paper: Retail and Town Centre (2017)	5.00	5.3%	5.50	10.0%
Topic paper: Leisure and Tourism (2017)	18.00	2.9%	19.00	5.6%
Topic paper: Housing Type Tenure and Mix (2017)	2.00	0.0%	2.50	25.0%
Topic paper: Flood Risk (2017)	15.50	3.3%	16.50	6.5%
Topic paper: Environmental Sustainability and Climate Change (2017)	4.50	5.9%	5.00	11.1%
Topic paper: Green and Blue Infrastructure (2017)	4.00	6.7%	5.00	25.0%
Supplementary Planning Guidance				
Residential Extensions and Alterations SPD	21.00	2.4%	23.00	9.5%
Thames Basin Heath Special Protection Area Avoidance Strategy (2017) SPD	10.50	2.4%	12.00	14.3%
Guildford Town Centre Views SPD (2019)	24.50	3.2%	26.00	6.1%

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023	%	from 1st April 2024	
Development Briefs and Other Strategies				
Thames Basin Heath Special Protection Area Avoidance Strategy (2017)	10.50	2.4%	12.00	14.3%
Postage and packing				
Small documents	2.00	14.3%	2.50	25.0%
Large documents	4.50	5.9%	5.00	11.1%
Draft Local Plan- first class	18.00	4.3%	19.00	5.6%
Draft Local Plan- second class	15.80	3.6%	17.00	7.6%
The above Local Plan documents are available to download for free on our website				
Land Charges Search Fees -(VAT introduced on 31st March 2017)				
Basic Fee- domestic	194.60	2.9%	216.00	11.0%
LLC1 Only- domestic	40.00	0.0%	45.00	12.5%
Con 29R Only- domestic	154.60	3.6%	163.00	5.4%
Basic Fee- commercial	261.60	2.1%	280.00	7.0%
LLC1 Only- commercial	60.00	0.0%	65.00	8.3%
Con 29R Only- commercial	201.60	2.8%	212.00	5.2%
Con29 Additional Questions- Surrey County Council	23.00	9.5%	25.50	10.9%
Con29 Additional Questions- Guildford Borough Council	12.00	0.0%	13.00	8.3%
Assisted Personal Search	32.00	0.0%	34.00	6.3%
Assisted Con29R Search (Per Question)	7.20	0.0%	8.00	11.1%
Additional Parcels of Land	16.80	0.0%	18.00	7.1%
Additional Questions	48.00	0.0%	55.00	14.6%
Street Naming and Numbering				
New Road	0		300.00	
1st plot new address	0		300.00	
Plots 2-20	0		50.00	
Plot 21+	0		50.00	
Additional Building Name	0		150.00	
New/change to property name	60	16.5	150.00	150.0%
Removing a name	60		63.00	

*= includes VAT at 20%

	2023-24 Increase		2023-24 Increase	
	from 1st April 2023		from 1st April 2024	
		%		%

Guildford Lido - To be approved by Council

Standard

Adult	7.20	4.3%	7.60	5.6%
Junior	5.40	3.8%	5.70	5.6%
Concessions	5.40	3.8%	5.70	5.6%
Family	22.70	3.2%	23.90	5.3%

Off Peak

Adult	5.90	3.5%	6.20	5.1%
Junior	4.30	5.0%	4.50	4.6%
Concessions	4.30	5.0%	4.50	4.6%
Family	18.10	3.4%	19.00	5.0%

Season Tickets

Adult	154.50	3.0%	165.00	6.8%
Junior	118.50	3.0%	124.50	5.1%
Student	118.50	3.0%	124.50	5.1%
Senior citizen	97.90	3.1%	103.00	5.2%

Concessionary Groups - All Times

The concessionary rate applies to admission for groups from registered charities, schools and non profit organisations.

These only apply if the booking was made in advance.

	4.30	5.0%	4.50	4.6%
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	2023-24 Increase		2024-25 Increase	
	from 1st April 2023		from 1st April 2024	
		%		

To be approved by Council

Education Services

Discovery Boxes

11.62	0.03	12.50	0.08
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Adult education, History of Guildford class

Twenty sessions (subject to change depending on course requirements)

118.50	3.0%	130.00	9.7%
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Exhibition Space Hire, Heritage Buildings

Guildford House

Brew House - one week hire

180.30	3.0%	195.00	8.2%
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Main House - Garden Room - three week hire

391.40	3.0%	420.00	7.3%
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Main House - First Floor: Pine Room, Study, Landing, Powell Room - three week hire

885.80	3.0%	950.00	7.2%
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Main House exhibitions are open to the public for a minimum of three weeks (currently 5 days per week) , with the first and last day of the exhibition normally being on a Saturday.

Private View of Exhibitions

Main House, Daytime 12.00pm - 2.00pm

216.30	3.0%	235.00	8.6%
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Main House, Evening 7.00pm - 9.00pm

371.40	3.0%	400.00	7.7%
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Brew House, Saturdays 12.00pm - 2.00pm

84.90	3.0%	95.00	11.9%
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Full House - all rooms

1277.20	3.0%	1,400.00	9.6%
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Venue Hire, Heritage Buildings

The Brew House, Guildford House

Weekdays and Saturdays

Half Day, 9.00am -12.00pm or 1.00pm - 4.00pm

123.60	3.0%	135.00	9.2%
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Full Day, 9.00am - 4.00pm

231.80	3.0%	250.00	7.9%
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*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023		from 1st April 2024	
		%		%
Guildford Castle				
<u>Day Hire</u>				
(a) Weekdays				
Half day, 9.00am - 1.00pm or 1.00pm - 5.00pm	236.90	3.0%	255.00	7.6%
Full day, 9.00am - 5.00pm	422.30	3.0%	455.00	7.7%
Evenings, 5.00pm - 9.30pm	448.10	3.0%	480.00	7.1%
Available October - March				
(b) Weekends				
Saturday or Sunday, 9am - 1pm or 1pm - 5pm	257.50	3.0%	280.00	8.7%
Saturday or Sunday, 9am - 5pm	468.70	3.0%	505.00	7.7%
Evenings, 5.00pm - 9.30pm	479.00	3.0%	515.00	7.5%
Guildford Museum				
<u>Daily rates (Museum meeting room+)</u>				
Half Day 9.00am -12.00pm or 1.00pm - 4.00pm	61.80	3.0%	70.00	13.3%
Full day 9.00am - 4.00pm	113.30	3.0%	125.00	10.3%
Guildhall				
<u>Guildhall whole building</u>				
(a) Weekdays				
Morning, 9.00am - 1.00pm	360.50	3.0%	390.00	8.2%
Afternoon, 1.00pm - 5.00pm	360.50	3.0%	390.00	8.2%
Whole Day, 9.00am - 5.00pm	607.70	3.0%	655.00	7.8%
Evening, 5.00pm - 10.00pm	515.00	3.0%	555.00	7.8%
(b) Weekends				
Saturday 9.00am - 5.00pm	638.60	3.0%	685.00	7.3%
Saturday 5.00pm - 12.00am	638.60	3.0%	685.00	7.3%
Sunday 9.00am - 5.00pm	638.60	3.0%	685.00	7.3%
Sunday 5.00pm - 12.00am	638.60	3.0%	685.00	7.3%

*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023		from 1st April 2024	
		%		

Guildhall Court Room

Weekdays

Morning, 9.00am - 1.00pm	257.50	3.0%	280.00	8.7%
Afternoon, 1.00pm - 5.00pm	257.50	3.0%	280.00	8.7%
Whole Day, 9.00am - 5.00pm	494.40	3.0%	530.00	7.2%
Evening, 5.00pm - 10.00pm	412.00	3.0%	445.00	8.0%

Guildhall Council Chamber

Weekdays

Morning, 9.00am - 1.00pm	257.50	3.0%	280.00	8.7%
Afternoon, 1.00pm - 5.00pm	257.50	3.0%	280.00	8.7%
Whole Day, 9.00am - 5.00pm	494.40	3.0%	530.00	7.2%
Evening, 5.00pm - 10.00pm	412.00	3.0%	445.00	8.0%

All rooms excess charge for evening hire after 10.00pm (per hour)	82.40	3.0%	90.00	9.2%
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Admission Charges, Guildhall

Adult admission	2.30	4.4%	2.50	8.9%
Child admission (under 5s free)	1.30	8.0%	1.50	15.7%

Admission Charges, Guildford Castle

Adult admission	3.90	5.4%	4.50	15.4%
Child admission (under 5s free)	2.30	4.4%	2.50	8.9%

Family ticket Guildford castle

Family ticket to cover 2 adults and 2 children	11.40	3.6%	12.00	5.3%
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*= includes VAT at 20%

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023		from 1st April 2024	
		%		
Academic journals and research publications that are not for profit	11.40	3.6%	15.00	31.6%
Commercial publications with print runs up to 1,000 copies, one country / language	32.00	3.2%	35.00	9.4%
Commercial publications with print runs up to 10,000 copies, one country / language	52.60	3.1%	60.00	14.1%
Commercial publications with print runs over 10,000 copies, one country / language	74.20	3.1%	80.00	7.8%
Books and magazine covers	106.10	3.0%	115.00	8.4%
Television, one production, one country and one language	106.10	3.0%	115.00	8.4%
Digital use for academic use that is not for profit	11.40	3.6%	15.00	31.6%
Digital use commercial	11.40	3.6%	115.00	908.8%
All requests are subject to a £15 administration fee. 20% discount will be applied where more than five images are used.	12.00		15.00	25.0%

Image licensing and reproductions

Reproduction fees for the use of images from Guildford Borough Council's heritage collections. These fees are for the use of the image, not for the costs of producing it. The fees are for the reproduction of one image.

Academic journals and research publications that are not for profit

Commercial publications with print runs up to 1,000 copies, one country / language

Commercial publications with print runs up to 10,000 copies, one country / language

Commercial publications with print runs over 10,000 copies, one country / language

Books and magazine covers

Television, one production, one country and one language

Digital use for academic use that is not for profit

Digital use commercial

All requests are subject to a £15 administration fee. 20% discount will be applied where more than five images are used.

*= includes VAT at 20%

	2023-24 from 1st April 2023	2024-25 from 1st April 2024	% Inc
To be approved by Council			
Farmers Market			
Pitch Charge (per market, per linear metre of frontage)	11.90	12.5	5%
Standard charges			
10 x 4ft boards	58.50	65.00	11%
Band B posters	47.50	52.00	9%
Non commercial advertising			
10 x4ft banners	51.00	54.00	6%
Band A posters	n/a	N/A	
Band B posters	39.00	41.00	5%
High Street Banner			
Commercial			
Upper High Street - Rental per space - Rental per week	325.00	300.00	-8%
Upper High Street - Rental per space - Rental subsequent week	119.00	150.00	26%
Lower High Street - Rental per space - Rental per week	325.00	350.00	8%
Lower High Street - Rental per space - Rental subsequent week	119.00	150.00	26%
Non commercial			
Upper High Street - Rental per space - Rental per week	n/a	200.00	
Upper High Street - Rental per space - Rental subsequent week	n/a	50.00	
Lower High Street - Rental per space - Rental per week	n/a	250.00	
Lower High Street - Rental per space - Rental subsequent week	n/a	50.00	
North Street Rotunda			
Commercial charges for full day			
-Weekday	100.00	110.00	10%
- Saturday	150.00	165.00	10%
- Sunday	100.00	110.00	10%
Non commercial charges for full day			
-Weekday	50.00	55.00	10%
- Saturday	75.00	82.50	10%
- Sunday	50.00	55.00	10%

*= includes VAT at 20%

	2023-24 from 1st April 2023	2024-25 from 1st April 2024	
To be approved by Council			
House Purchase Fees			
Right to Buy			
Engrossment Fee	93.40	96.24	3.0%
Consent - Application in Advance			
Consent - Retrospective Application			
Leasehold Enquires	140.00	144.16	3.0%
(b) Equity Share			
Lease Surrender	119.90	250.00	108.5%
Road Closure Application Fee	159.10	175.00	10.0%

This is the minimum standard charge which includes the cost of basic laminated signage only. The actual amount payable is subject to any additional signage costs incurred.

Council Minutes Booklet and Committee Agendas - Annual Subscription
- All available on line free of charge - Hard copies available but will charged at cost to GBC

- Business organisations (per committee)
- Amenity organisations and private individuals
- Parish Councils (first copy free)
- Individual Agendas
- Constitution
- Annual Report and Statement of Accounts - supply to Borough Residents
- Annual Report and Statement of Accounts - supply to organisations and individuals outside the Borough

Section 106 Agreements

Suitable Access to Natural Green Space (SANGS) Section 106 agreement or Unilateral Undertaking	772.50	850.00	10.0%
Section 106 agreement or Unilateral Undertaking (development up to 25 dwellings)	1179.40	1300.00	10.2%
Section 106 agreement or Unilateral Undertaking (development exceeding 25 up to 50 dwellings)	2343.30	2500.00	6.7%
Section 106 agreement or Unilateral Undertaking (development exceeding 51 up to 100 dwellings)	Minimum of £2,275	Minimum of 2500	9.9%
Section 106 agreement or Unilateral Undertaking (development exceeding 101 up to 199 dwellings)	Minimum of £2,275	Minimum of 2500	9.9%
Section 106 agreement (Major applications, small scale, large scale)	Minimum of £2,275	Minimum of 2500	9.9%

**this is presented as a general guide, in each instance the Council will provide a pre-estimate of the likely time and costs, and will seek its costs in relation to actual work completed on the basis of an officer fee of £180 per hour.

*= includes VAT at 20%

2023-24 **2024-25**
from 1st April 2023 from 1st April 2024

Property Transactions – Legal Charges

Grant of new lease up to 100 sq. m	Minimum £555**	Minimum of £650	17.1%
Grant of new lease 101 to 300 sq. m	Minimum £760**	Minimum of £870	14.5%
Grant of new lease 301 – 700 sq. m	Minimum £875**	Minimum of £1000	14.3%
Grant of new lease over 700 sq. m	Minimum £1,320**	Minimum of £1550	17.4%
Agreement of new lease up to 100 sq. m		Minimum of £1150	
Agreement of new lease 101 to 300 sq. m		Minimum of £1370	
Agreement of new lease 301 – 700 sq. m		Minimum of £1500	
Agreement of new lease over 700 sq. m		Minimum of £2050	
Renewal of lease up to 100 sq. m	Minimum £430**	Minimum of £500	16.3%
Renewal of lease 101 to 300 sq. m	Minimum £555**	Minimum of £650	17.1%
Renewal of lease 301 – 700 sq. m	Minimum £660**	Minimum of £780	18.2%
Renewal of lease over 700 sq. m	Minimum £875**	Minimum of £1000	14.3%
Dead of surrender		Minimum of £300	
Deed of Variation	Minimum £575**	Minimum of £680	18.3%
Rent Deposit Deed	Minimum £220**	Minimum of £250	13.6%
Licence to Assign/Alter	Minimum £555**	Minimum of £650	17.1%
Licence to Underlet	Minimum £660**	Minimum of £780	18.2%
Lease extension		Minimum of £1200	
Grant of new Licence for grazing/garden/access	Minimum £495**	Minimum of £570	15.2%
Renewal of Licence for grazing/garden/access	Minimum £280**	Minimum of £320	14.3%
Grant of new Licence for scaffolding/development compound	Minimum £495**	Minimum of £570	15.2%
Renewal of Licence for scaffolding/development compound	Minimum £380**	Minimum of £420	10.5%
Grant of Easement/wayleave	Minimum £555**	Minimum of £650	17.1%
Agreement of Easement/weyleave			
Sale of freehold	Minimum £760**	Minimum of £870	14.5%
Letters of consent in regard to assignment of a lease		£30	
Copies of documents (agreements/deeds of variation)		£30	
Removal of a restriction from land registry title (RX4)		£30	
Land registry admin fee		£30	

** These are the minimum standard charges. Protracted or complex cases can exceed these figures in which case the Council's

*= includes VAT at 20%

2023-24	2024-25
from 1st April 2023	from 1st April 2024

reasonable legal costs are payable.

Management Packs

LPE1
Expedited service (pack produced in less than 10 days)
Additional Enquiries
Notice

£300
£400
from £50
£35

Approved by the Government

Electoral Register Sales

Fees are set by Statute and are available on request.

	2023-24 Increase		2024-25 Increase	
	from 1st April 2023	%	from 1st April 2024	%
To be approved by Council				
Temporary Accommodation Fees				
Daily Personal Charge Contributions				
Household size				
- Per adult person over 18	2.00	0.0%	2.10	5.0%
- Children over 5 (per child)	0.50	0.0%	0.50	0.0%

Rental element charge

For those who are working and not entitled to legacy Benefits such as Income Support, JSA, ESA; or the equivalent element of Universal Credit, the applicant will be required to pay the daily personal charge, plus a rental charge equivalent to 30% of their nett household income, which includes income from employment, private pensions and any Tax Credits or equivalent components of UC. Disability Benefits or equivalent UC elements will be disregarded.

Savings

An assessment of the client’s accessible savings will be conducted as part of their housing assessment.

If a client has accessible savings in excess of £6,000, they may be required to meet the full cost of the provision of the bed and breakfast placement, less any HB subsidy available.

Each application will be considered on its merits and exceptions may apply in special cases. Examples include access to capital assets and the need to fund any onward accommodation solutions, such as rent in advance costs, rent deposit costs or other reasonable housing costs such as removals and essential white goods that may require purchasing in order to facilitate a move – on from interim accommodation.

	2023-24	Increase	2024-25	Increase
	from 1st April 2023	%	from 1st April 2024	%

To be approved by Council

Local Taxation

Court Costs - Council Tax*	103.50	3.0%	To be advised	
Court Costs - Business Rates*	124.10	3.0%	To be advised	
Court Costs - BID Levy*	10.80	2.8%	To be advised	

*these amounts includes £20.00 payable for Liability Order

Letting of Council Accommodation for Meetings (Charges for other uses subject to negotiation)

Council Chamber

Morning	267.80	3.0%	290	8.3%
Afternoon	267.80	3.0%	290	8.3%
Evening to 9.00 pm	345.00	3.0%	370	7.2%

Room 1 (Chantries)- previously Committee Room 1

Morning	185.40	3.0%	200	7.9%
Afternoon	185.40	3.0%	200	7.9%
Evening to 9.00 pm	267.80	3.0%	290	8.3%

Room 2 (Newlands)- previously Committee Room 2

Morning	185.40	3.0%	200	7.9%
Afternoon	185.40	3.0%	200	7.9%
Evening to 9.00 pm	273.00	3.0%	290	6.2%

Room 3 (Sheepleas)

Morning	132.90	3.0%	140	5.3%
Afternoon	132.90	3.0%	140	5.3%
Evening to 9.00 pm	191.60	3.0%	205	7.0%

Room 4 (Chinthurst)

Morning	92.70	3.0%	100	7.9%
Afternoon	92.70	3.0%	100	7.9%
Evening to 9.00 pm	136.00	3.0%	145	6.6%

Room 5 (Whitmoor)

Morning	92.70	3.0%	100	7.9%
Afternoon	92.70	3.0%	100	7.9%
Evening to 9.00 pm	136.00	3.0%	145	6.6%

Room 6 (Hurtmore)

Morning	185.40	3.0%	200	7.9%
Afternoon	185.40	3.0%	200	7.9%
Evening to 9.00 pm	273.00	3.0%	295	8.1%

Room 7 (Loseley)

Morning	57.70	3.1%	63	9.2%
Afternoon	57.70	3.1%	63	9.2%
Evening to 9.00 pm	81.40	3.1%	85	4.4%

Room 8 (Hatchlands)

Morning	111.20	3.0%	120	7.9%
Afternoon	111.20	3.0%	120	7.9%
Evening to 9.00 pm	162.70	3.0%	175	7.6%

*= includes VAT at 20%

Guildford Borough Council

7 February 2024

Section 25 Report of the Section 151 Officer

**Robustness of Estimates and
the Adequacy of Reserves and Balances
Local Government Act 2003 (Section 25)**

Purpose of report

1. Section 25 of The Local Government Act 2003 places a duty on the Chief Finance Officer to make a report to the authority on the robustness of estimates and adequacy of reserves. This report fulfils this requirement and provides Members with assurance that the budgets have been compiled appropriately and that the level of reserves is adequate. It is a statutory requirement that councillors must consider this report when considering and approving a budget.
2. Under Section 25 of the Local Government Act 2003, the Council's Chief Finance Officer is required to report to the Council on:
 - The robustness of the estimates included within the budget
 - The adequacy of the reserves and balances
3. It is a statutory requirement that councillors must consider this report when considering and approving a budget.

Introduction

4. The Local Government Act 2003 (Section 25) requires that when a local authority is agreeing its budget and precept, the Chief Finance Officer must report to it on the following matters:
 - a) the robustness of the estimates made for the purposes of the calculations, and;
 - b) the adequacy of the proposed financial reserves.

5. The authority must have due regard to the report when making decisions on the budget and precept.
6. The Chief Finance Officer for the Council is the Section 151 Officer. In expressing their opinion, the Chief Finance Officer has considered the financial management arrangements that are in place, the level of reserves, the budget assumptions and the financial risks facing the Council.
7. In presenting this report the Chief Finance Officer is mindful of other associated statutory safeguards designed to support the authority:
 - Section 151 of the Local Government Act 1972 which requires the authority to make arrangements for the proper administration of its financial affairs and that the Chief Financial Officer has personal responsibility for such administration.
 - Sections 32, 43 & 93 of the Local Government Finance Act 1992 which requires the authority to set a balanced budget.
 - The Prudential Code introduced as part of the Local Government Act 2003 sets out the framework within which the authority must manage its investments, including adequate planning and budget estimates.
 - The external auditor's duty to assess the adequacy of the authority's proper arrangements to secure economy, efficiency and effectiveness ('value for money').
8. To reinforce these obligations, section 114 of the Local Government Finance Act 1988 requires the Chief Finance Officer to report to all the authority's councillors, in consultation with the Monitoring Officer, if there is or is likely to be unlawful expenditure or an unbalanced budget.

Report Details

National Picture

9. Local Government is continuing to commission and deliver services to its residents and businesses during a period of prolonged financial uncertainty and significant change. This uncertainty relates to both the overall UK economy as well as the impact of national policy changes to

the way in which local government is funded in the medium / long-term. Demand pressures, high inflation and interest rates on top of 10+ years of cuts to local government funding have put significant pressure on the budgets of local authorities.

10. It is important that we continue to manage our resources in a prudent and sustainable way, ensuring that we understand and can plan and manage our risks effectively over the medium term which is why a strong link between our service outcomes and financial measures is imperative.

Local Picture

11. Guildford Borough Council has found itself in a difficult financial position, partly down to the erosion of financial controls and governance following replacement of ICT systems and major restructuring of the Council.
12. Commercial income from our property investments have held up well as they are largely geared towards small industrial sectors. The pandemic effectively “stress-tested” our investments and they have held up extremely well. This is a much better position than in many other Councils and is testament to the strength of the tenancies we have in place.
13. The Council is committed to investing and developing its local economy and this investment can be seen clearly through key decisions taken at a local level including direct property investment for regenerative purposes such as the Ash Road Bridge and Weyside Urban Village projects.
14. The Council delivers a wide range of services to support our residents, communities and businesses. Some of these services are provided by all Councils as a requirement of national legislation whilst Guildford Borough Council chooses to provide others as a result of the specific needs of our communities and the priorities of the Council.

Budget Process

15. The budget has been prepared using accruals accounting and provides for realistic estimates of income, expenditure, and liabilities. The detailed budget has been prepared with each of the service areas and the finance team. These have been reviewed and challenged by the senior management team.
16. The budget ensures that all aspects of the budget (Revenue, Capital and Treasury) are understood, and the interdependencies are taken account of.
17. During the year, the monitoring of financial information has been thoroughly reviewed and reporting is now provided monthly to a wide range of audiences. Improvements and developments have also been incorporated into the processes to ensure that we continue to provide the best level of transparency that we can. Further improvements are still planned in this area.
18. The prudential code introduced a rigorous system of prudential indicators, which explicitly require regard to affordability, prudence, value for money, stewardship, service objectives and practicality in the way in which we manage our finances. This is backed up by a specific requirement to monitor performance against forward-looking indicators and report and act on significant deviations. These are fully considered by our Corporate Governance and Standards committee.

Budget Assumptions and robustness of estimates

19. The Council has complied fully with the requirements of the Prudential Code for Capital Finance in Local Authorities. The Treasury Management Strategy, Capital Strategy and investment Strategy provide the framework for which the Council to adhere to. I (the Chief Finance Officer) am satisfied that the levels assumed in the indicators are affordable and sustainable.
20. The Council has insurance cover through external policies. I (the Chief Finance Officer) am satisfied that the insurance cover is adequate to meet all reasonable insurable liabilities.

Adequacy of reserves

21. The appropriate level of reserves can support an organisation in managing risk and volatility in its operating environment. The Council is facing significant risk and change over the medium term due to number of local and national issues and it is important that the level of reserves reflects this.
22. The Council non-ringfenced reserves are estimated to be around £11.5m at the end of 2023-24 (£8.4m plus adjustments to the HRA, SANG and capitalisation). This is well above the minimum 5% of general fund expenditure recommended.
23. There is currently significant uncertainty over funding levels for 2025-26 and beyond. This is due to several key issues, the forthcoming General Election, the single year Financial Settlement given in for 2024-25, the delay in implementing the local Government Finance reforms (Fair Funding Review, Business Rate baseline reset, New Homes Bonus).

Financial Management

24. The Council's External Auditor, Grant Thornton, have completed the audit of the 2019-20 accounts but have not undertaken the audit of the 2020-21 and 2021-22 accounts due to the on-going investigation around the housing maintenance service. The Council comprehensively considers all issues raised by External Audit and responds accordingly to any issues / recommendations. We will continue to work closely with the External Auditors and react positively to any issues identified.
25. The new Internal Auditors, Southern Internal Audit Partnership (SIAP), have been able to progress through the internal audit plan and the outcome of this work has demonstrated stability and in the Councils control framework. Some work has been re-prioritised during the year to allow additional resource to be applied to examination of the key controls in light of the previously identified historic accounting errors.
26. The Chief Finance Officer considers that the financial control arrangements are now sufficiently robust to maintain adequate and effective control of the budget during 2024-25.

Risk Assessment

27. The Council has a robust risk management framework in place. The framework supports the Council in managing significant risk.
28. The key risks within the budget for 2024-25 are set out below, together with the mitigations in place to manage them.

Risk Areas in 2024-25	Issues/ Mitigations
Inflationary pressure – affects contracts and pay award	Contract inflation of £500k has been built into the budget. Expectations are that rates will continue to fall during 2024-25.
Pay Award – assumption of 4%, 3%, 3%	Locally negotiated. Cost of living impact for employees noted.
Fees and Charges – budgets raised due to current over achievement and savings requirements, but demand could be affected	Key items such as car parking and Garden waste will be closely monitored, and corrective action taken Corporately if necessary
Commercial Income – potential for voids	Income has held up very well and the current investments appear to suit current market requirements. The investments will be kept under close review.
The Economy	Growth currently minimal and any impact will need to be monitored if this continues.
Benefits	Cost of Living crisis and roll-out of Universal Credit likely to put additional pressure on benefit payments. Non-recovery / debt will be closely monitored
Staffing availability	Current difficulties in recruiting staff in some service areas, particularly professional staff. Recruitment campaigns used where possible and Interims only as last resort.

Risk Areas in 2024-25	Issues/ Mitigations
Homelessness / Refugees	Increasing issue at the same time as government funding is reducing. Close monitoring required and appropriate action taken if necessary.
Delays in Government Policy	New funding from Extended Producer Responsibility delayed. Increased costs from National Minimum Wage, benefit changes but not funded. National pressure required.
Collaboration / Business Transformation	Staffing being increased but savings target needs to be delivered. Need to address key issues of Terms and Conditions and ICT harmonisation.
Planning Appeals	Cost is not budgeted as unpredictable.
Legal / JR costs	Increasing use of legal measures by the public / companies. Needs to be robustly defended as appropriate.
Asset Sales	Target of £50m to be delivered. Needs to be done methodically to ensure best value and closely monitored.
Debt Management	Need to ensure sums owed to the Council are recovered. Better monitoring and follow up being introduced
Establishment Control / Vacancy Management	Staffing costs are the greatest area of expenditure. Control of the establishment and delivery of the vacancy saving imperative.
ICT obsolescence	Need to ensure that systems / software are up to date to maximise benefits and minimise risks such as cyber security

Risk Areas in 2024-25	Issues/ Mitigations
Park and Ride	On-going legal challenges around park and ride sites and provision need careful management.
North Downs Housing	Future of NDH needs to be determined which could lead to write down of loans / asset values.
Housing Maintenance Investigation	One-off budget has been set aside to deal with investigation costs. Potential for general fund impact but should be minimal

Future Outlook

29. The future financial risks are partly due to potential national funding changes but also due to the on-going state of the economy. These include:

- Reset of the business rates growth baseline which was delayed again from 2022-23. Guildford is not part of any business rates pooling arrangements so there would be no loss of historic growth is this was implemented, which is likely to be a very significant issue for many district / borough councils.
- Savings delivery – Future savings are still required to balance the MTFP period and deal with the future borrowing costs associated with Weyside Urban Village.
- Impact of the Fair funding review (if / when implemented) is likely to move funding from the South to the North of the Country, which would be a disbenefit for Surrey Councils. There is however likely to be transitional arrangements put in place which would smooth out any adverse impact.
- The lack of a multi-year finance settlement means significant uncertainty over future funding levels.
- A replacement New Homes Bonus scheme was due to be introduced in 2022-23 and no details of this have yet been released.
- Pay costs for 2025-26 onwards have been included at 3%. Inflation is high at present but expected to reduce. These rates could

increase which would mean additional cost pressures on future budgets.

- Commercial income may be impacted but has held up very well to date. Hopefully, this risk will reduce as the economic recovery progresses.

Conclusions

30. I am satisfied that the budget prepared for the financial year 2024-25 is prudent and makes allowance for the costs of providing services in accordance with the Councils' approved policies and service plans. I consider that the budget proposals set out in the report are robust. The level of reserves is sufficient to meet the known risks within the budget taking account of the Councils robust financial management framework.

Statements of the Section s151 Officer

Section 151 Officer - Statement on the Robustness of the Budget.

“The Borough Council is recommended to note that, in my opinion, the estimates used in the production of the budget proposal for 2024-25 are adequately robust”.

Section 151 Officer - Statement on the Adequacy of Reserves

“Based on the assessment of the reserves and contingencies, the key financial risks identified, and the thorough process used for developing the Medium-Term Financial Plan, I have determined that the level of reserves and balances for 2024-25 is adequate.”

Richard Bates

Section 151 Officer – Guildford Borough Council

29 December 2023

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Summary of Change in Reserves 2023-24

Appendix 5

	Balance at 31 March 2023	Receipts in Year	Transfers out in Year	Adjustments	Estimated Balance at 31 March 2024	Notes	Usage in 2023-24
	£000	£000	£000	£000	£000		
General Fund Reserves							
MTFP	-4,277,712	0	1,754,950	-1,536,000	-4,058,762	SANG interest & HRA interest / housing advice	885k planning, 800k to FRP, 70k Crowd Funding From MTFP Parks 60k, Finance staff 62k
Financial Recovery Plan	0	-800,000	125,000		-675,000		
Carried Forward Items	-870,238	0	122,000	0	-748,238		
ICT Renewals	-1,894,367	-500,000	926,000	0	-1,468,367		
Insurance	-500,000	0	0	0	-500,000		
Spectrum	-773,352	0	352,631	0	-420,721		
Car Parks Maintenance	-2,330,540	0	394,049	0	-1,936,491		
Car Parks Equalisation reserve	0	-500,000	0	0	-500,000		
BR Covid ongoing	-330,462	0	0	0	-330,462		
Election	-265,897	0	222,600	0	-43,297		
Usable Reserves	-11,242,569	-1,800,000	3,897,230	-1,536,000	-10,681,338	£110k to be added pa from 25/26 = £8.4m plus carry forwards plus adjustment	
HLS	-231,696	0	38,893	0	-192,802		
Capital Schemes	0	0	0	0	0		
Salix	-314,796	-31,157	0	0	-345,953	Match Funding	
Land Charges	0	-20,334	0	0	-20,334		
G Live Sinking	-130,000	-10,000	42,375	0	-97,625	Linked to cotract	
Family Support	0	-195,832	0	0	-195,832	SCC	
Civil parking	1,874	0	0	-1,874	0	Write off	
Taxi Licensing	0	0	0	0	0		
Refugee support	-393,316	-1,409,287	196,338	0	-1,606,265	SCC	
Safer Gfd	-27,186	0	0	0	-27,186	SCC	
Business Rates equalisation	-2,930,539	-5,619,763	0	0	-8,550,302	s31 Grants	
Special Protection Areas (SPA) sites	-13,588,745	-658,212	107,369	0	-14,139,588	SPAs - need to adjust for overprovision	
Usable but Earmarked	-17,614,404	-7,944,586	384,976	-1,874	-25,175,888		
TOTAL	-28,856,972	-9,744,586	4,282,206	-1,537,874	-35,857,226		

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Appendix 5
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Proposed Annual Uprating of The Guildford Borough Council (Council Tax Reduction Scheme) (Persons who are not Pensioners) for 2024-25

1. Personal Allowances

Column (1) - Person or couple	2023 Amount	Amount Proposed 2024
(1) A single claimant who -	(1)	(1)
(a) Is entitled to main phase employment and support allowance	(a) £77.00	(a) £84.80
(b) Is aged not less than 25	(b) £77.00	(b) £84.80
(c) Is aged not less than 18 but less than 25	(c) £61.05	(c) £67.20
(2) Lone Parent	(2) £77.00	(2) £84.80
(3) Couple	(3) £121.05	(3) £133.30

Column (1) - Child or young person	Column (2) – Amount 2023	Column (2) – Amount Proposed 2024
Person in respect of the period -		
(a) beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday;	£70.80	£77.78
(b) beginning on the first Monday in September following that person's sixteenth birthday and ending on the day preceding that person's twentieth birthday	£70.80	£77.78

2. Premiums

Family premium

Where the Family Premium still applies and the applicant is not a lone parent the proposal is to increase the premium from £17.85 to £18.53.

Other premiums

17. Premium	Amount 2023-24	Proposed 2024-25
(1) Disability Premium—	(1)	(1)
(a) where the applicant satisfies the condition in paragraph 9(a);	(a) £36.20	(a) £39.85
(b) where the applicant satisfies the condition in paragraph 9(b).	(b) £51.60	(b) £56.80
(2) Severe Disability Premium	(2)	(2)
(a) where the applicant satisfies the condition in paragraph 11(2)(a);	(a) £69.40	(a) £76.40
(b) where the applicant satisfies the condition in paragraph 11(2)(b)—		
(i) in a case where there is someone in receipt of a carer's allowance or if he or any partner satisfies that condition only by virtue of paragraph 11(5);	(b)(i) £69.40	(b)(i) £76.40
(ii) in a case where there is no-one in receipt of such an allowance	(b)(ii) £138.80	(b)(ii) £152.80
(3) Disabled Child Premium	(3) £68.04 in respect of each child or young person in respect of whom the condition specified in paragraph 13 of Part 3 of this Schedule is satisfied	(3) £74.69 in respect of each child or young person in respect of whom the condition specified in paragraph 13 of Part 3 of this Schedule is satisfied
(4) Carer Premium	(4) £38.85 in respect of each person who satisfies the condition specified in paragraph 14.	(4) £42.75 in respect of each person who satisfies the condition specified in paragraph 14.
(5) Enhanced Disability Premium	(5)	(5)
	(a) £27.44 in respect of each child or young person in respect of whom the conditions specified in paragraph 12 are satisfied	(a) £30.17 in respect of each child or young person in respect of whom the conditions specified in paragraph 12 are satisfied
	(b) £17.75 in respect of each person who is neither	(b) £19.55 in respect of each person who is neither
	(i) a child or a young person; nor	(i) a child or a young person; nor
	(ii) a member of a couple or a polygamous marriage	(ii) a member of a couple or a polygamous marriage
	In respect of whom the conditions specified in paragraph 12 are satisfied	In respect of whom the conditions specified in paragraph 12 are satisfied
	(c) £25.35 where the applicant is a member of a couple or a polygamous marriage and the conditions specified in paragraph 12 are satisfied in respect of a member of that couple or polygamous marriage	(c) £27.90 where the applicant is a member of a couple or a polygamous marriage and the conditions specified in paragraph 12 are satisfied in respect of a member of that couple or polygamous marriage

Part 6 - Amount of components

	Amount 2023-24	Proposed 2024-25
18. The amount of the work-related activity component is	30.60	33.70
19. The amount of the support component is	40.60	44.70

3. Non-Dependant Deductions

	Amount 2023-24	Proposed 2024-25
(1) Subject to the following provisions of this paragraph, the non-dependant deduction in respect of a day referred to in paragraph 47 is -		
(a) in respect of a non-dependant aged 18 or over in remunerative work,	£12.85 x 1/7	£14.15 x 1/7
(b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply,	£4.20 x 1/7	£4.60 x 1/7
(2) In the case of a non-dependant aged 18 or over to whom sub-paragraph (1)(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is		
(a) less than X, the non-dependant deduction to be made under this paragraph is the amount specified in sub-paragraph (1)(b)	X £224.00	X £236.00
(b) not less than X but less than Y, the non-dependant deduction to be made under this paragraph is b;	X £224.00 Y £389.00 b £8.55	X £236.00 Y £410.00 b £9.40
(c) not less than Y but less than Z, the non-dependant deduction to be made under this paragraph is	Y £389.00 Z £484.00 c £10.70	Y £410.00 Z £511.00 c £11.80

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JOINT EXECUTIVE ADVISORY BOARD

11 JANUARY 2024

GENERAL FUND REVENUE BUDGET 2024-25 AND MEDIUM-TERM FINANCIAL PLAN 2024-25 TO 2026-27

A report regarding the General Fund Budget 2024-25 and Medium Term Financial Plan 2024-25 to 2026-27 was before the Joint Executive Advisory Board (JEAB) for consideration at its meeting held on 11 January 2024. The report was introduced by the Lead Councillor for Finance and Property and presented by the Joint Executive Head of Finance and S151 officer, who sought councillors' views thereon.

The following points arose from related discussion, comments and questions for forwarding to the Executive:

1. In terms of the long-term empty dwelling levy, the current number of long-term empty dwellings in the Borough was unknown and the officers would obtain that information from the Revenues and Benefits Lead and circulate it to the JEAB.
2. The JEAB was advised that the Asset Register was publicly available and a link to it would be circulated to councillors to enable them to contact the project lead, the Joint Executive Head of Assets and Property, with any comments, queries or issues.
3. The Asset Disposal Programme was not yet finalised and a valuation expert and another property expert were revaluing the assets on the short list with a view to arriving at a final list. The Programme would be subject to approval through the formal processes in due course.
4. The freezing of councillors' allowances for 2024/25 was supported.
5. Climate Change was a consideration when letting any contract, in particular the Council's energy supply contract, which would fall due for renewal next year. This exercise would include looking at whether, as part of the Council's Climate Change commitments, green energy could be utilised. This would depend upon price differentials quoted in contract tenders received.
6. With regard to parking charges, although the package in terms of the overall amount of income the Council was seeking to raise had been

agreed, further details were to be added to the report prior to its submission to the Executive and Council.

7. It was assumed that the fly tipping fine of £400 was set nationally. However, enquiries would be made to ascertain whether there was any local discretion to increase the amount to deter culprits.
8. In response to a request, the JEAB was advised that the capital cash flow could be added to the report to aid understanding.
9. With regard to the submission of Monitoring Reports to the Corporate Governance and Standards Committee, the Period 8 report would be received next week whilst the Period 6 and 7 reports would be published on the Council's website, together with the Period 8 report following its reporting to the Committee. The Period 9 report was almost ready for publishing. It was hoped that the availability of this information to councillors and the public would assist with answering some of the budget queries raised.
10. The addition of greater context to the report to assist the public to understand it was welcomed.

The JEAB was invited to comment on seven recommendations which would be considered by the Executive at its meeting on 25 January 2024. The JEAB indicated its support for all seven recommendations and agreed that its above comments be forwarded to the Executive.

Executive

23 November 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 James Jones, Richard Mills, Joanne Shaw, and Howard Smith were also in attendance.

Councillors Dawn Bennett, Ruth Brothwell, Stephen Hives, Vanessa King, James Walsh, Dominique Williams, Fiona White, and Catherine Young were in remote attendance.

EX28 Apologies for Absence

There were no apologies for absence.

EX29 Local Code of Conduct - Disclosable Pecuniary Interest

There were no declarations of interest.

EX30 Minutes

The minutes of the meeting held on 5 October 2023 were confirmed as a correct record. The Chairman signed the minutes.

EX31 Leader's Announcements

New Exhibition at Guildford House

The Leader announced that a new exhibition would open at Guildford House Gallery this weekend from 25 November 2023 to 6 January 2024. The display featured a selection of artworks from the Guildford House Open Competition 2023. Promising a captivating experience for any contemporary art lover, this exhibition was for all ages.

Festive Family Fun Day

The Leader announced that the annual Festive Family Fun Day returned to the town centre last weekend, launching the start of Christmas in Guildford. A full programme of free entertainment ran throughout the day. It had been well-

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attended and very positive comments were received on the day. The event had been funded by Experience Guildford and the UK Shared Prosperity Fund.

Christmas bin collections

The dates for Christmas bin collections were now on the Council's website: www.guildford.gov.uk/Christmasbincollectiontimes

Guildford Design Awards

The Guildford Design Awards were currently taking place and the Council had several buildings nominated for awards including The Guildhall, Walnut Bridge and Midleton Enterprise Park. The Leader wished everyone taking part good luck.

Tenant Drop-in Sessions

The Leader informed councillors that the first of our tenant drop-in sessions took place on Wednesday 22 November, and that if they knew of any tenants within their wards that would like to come and talk to us the next session would take place at The Hive on Park Barn Drive on Wednesday 29 November between 6.30pm and 8pm.

EX32 Review of Councillors' Allowances: Report of the Independent Remuneration Panel

The Council appointed an Independent Remuneration Panel (IRP) – jointly with Waverley in October 2022 to review the existing scheme of councillors' allowances and make recommendations for a new scheme. On 2 November 2023, the IRP concluded its review and the Executive received its report and recommendations which were attached as Appendix 1.

The Leader highlighted the correction set out in the Supplementary Information Sheet. On page 20 of the agenda, the figure quoted as the Employers' National Insurance contribution in the table in paragraph 9.1 (Financial Implications) was incorrect. It should have read "£18,153".

The Chairman of the IRP, Dennis Frost, was in attendance along with Panel member Rodney Bates (in remote attendance) to speak to the report. Mr Frost set out his experience of working on other IRPs and the experience of the other panel members. He had been a member of the Guildford IRP which last reviewed the scheme in 2019. Mr Frost thanked officers for their support to the IRP.

During the course of its review, the IRP had received and considered twenty-five completed questionnaires from members and had interviewed fourteen members to arrive at the final recommendations which included a rise in the Public Service Discount (PSD) from 35% to 40% and a 2.5% increase to the Basic Allowance (BA). If adopted, this would be the highest BA of all of the Surrey districts and boroughs. The IRP argued this was justified when taking in account

the latest Annual Survey of Hours and Earnings (ASHE) median hourly rate for Guildford and the average number of hours that Guildford members spent undertaking council business. It was noted that the hourly rate for Guildford had risen by over 12% in the past year.

There were recommended changes to some of the Special Responsibility Allowances (SRAs) awarded to councillors undertaking additional roles such as the Leadership, portfolio holders, chairs and vice chairs of the various committees, notably an increase in the Leader's Allowance to 250% of the BA and a small reduction for portfolio holders. The IRP had taken a particular interest in how the role of the Mayor was supported through the Allowances Scheme and sought to spend more time looking in depth at this role with a view to reporting back in a year's time. The Panel recommended the Council adopt a scheme where a councillor could only receive one SRA, as this was described as fair and best practice.

Mr Frost observed the demographic of the membership had changed since 2019 and consequently there was a different recommendation for the Dependent Carers' Allowance (DCA) than in 2019. The Panel had recommended a new level which was an alternative lump sum of £500 be made available annually to parents of children under 12 years old and to registered carers rather than the submission of a series of claims and small expenses payments throughout the year. This was described as fair and equitable and less bureaucratic.

The Panel judged its recommendations to the council as an overall increase of 3.9% compared to the current budget, significantly less than the rate of inflation.

The Leader took questions for the IRP from non-Executive councillors. Councillor Brothwell, who was a chair of an Executive Advisory Board (EAB), noted that the SRA for this role would be reduced under the IRP's recommendations. The reason supporting the recommendation was that the EABs had rarely met during recent months. Councillor Brothwell argued that the EABs were scheduled to meet monthly and that cancellations were beyond the influence of the chairs and vice-chairs. The Panel members present replied that should the EAB meetings return to the previous frequency then the matter could be reviewed and that this was set out in the report.

Councillor Young suggested there might be a means by which the vice-chair of a committee might receive a proportion of the chair's remuneration when the chair was absent. Councillor Young was Chairman of the Licensing Committee and, having noted the recommended reduction in the one-off payments received by Licensing Sub-Committee Chairs, enquired should the one SRA rule be adopted would this include the payments made to the Licensing Sub-Committee Chairs. The Panel members present responded to say that on the occasions when a

deputy stepped up to take the Chair this would be a level of detail on which the Panel could not advise but might rather be a matter for the two individuals concerned to resolve between themselves. With regard to the one-off payments made to the Licensing Sub-Committee Chairs the Panel was of the view that the current amount was too generous and should be reduced to be in line with other Surrey councils, it was noted that some councils made no payment at all for this responsibility. It was reiterated that one SRA was fair and best practice.

The matter of the role of the IRP in stimulating diversity on the council was raised and the increase in flexible options for those with caring responsibilities was welcomed. The Chairman of the IRP considered the Panel's role in increasing a more diverse membership was limited and that the council itself should be leading in this regard. The proposed reductions for certain SRAs were questioned but was upheld by Mr Frost as evidenced through member interviews.

The Lead Councillor for Finance and Property thanked the Panel for its report which was described as clear, well-reasoned and much appreciated. Further appreciation was given to the Panel for taking into account the Council's current financial position by recommending an increase substantially below the rate of inflation. In addition, there was concern that there should be any increase at all at the current time.

Members of the Executive reflected that the BA was a crucial enabler for residents from diverse backgrounds to assume the role of councillor and consequently to provide representation for all communities. In addition, the report illustrated the elevated levels of public duty and commitment to voluntary service displayed by members of the Council via the recommended increase in the PSD to 40%.

Executive members welcomed the innovative approach to the DCA with the two different levels which sought to support and enable carers to participate in the democratic process and to represent their communities.

Overall, the report was well-received by the Executive, however in consideration of the Council's financial position, members of the Executive voiced concern about supporting any recommendations to increase the Councillors' Allowances Scheme at the current time. It was suggested a further review might be undertaken of Panel's recommendations in 12-months' time when the financial picture might be clearer. It was further proposed that the current indexation linking the Scheme to officer pay awards be suspended for the same 12-month period resulting in a freeze of allowances expenditure for 2024-25.

The Executive did have reservations concerning some of the recommendations of the IRP, notably the adoption of the One SRA Rule, but overall, it was the financial circumstances of the council that was at the forefront of the debate.

On 5 December 2023, Council was to consider the IRP's recommendations for a new scheme of allowances, together with any recommendations of the Executive, prior to determining a new scheme of councillors' allowances to come into effect on 1 April 2024. Consequently, the Executive agreed the following,

Recommendation to full Council (5 December 2023):

That the Council:

- (1) defers consideration of the report of the Independent Remuneration Panel on the review of councillors' allowances for a period of 12 months;
- (2) retains the current scheme of allowances without indexation, which effectively freezes councillors' allowances at their current level for the 2024-25 financial year; and
- (3) thanks the Independent Remuneration Panel for its work.

Reason:

In view of the current situation with regard to the Council's current financial position and the Council's determination to resolve those difficulties, now was not the right time to be increasing councillors' allowances.

EX33 Guildford & Waverley Transformation & Collaboration Programme

The Lead Councillor for Community and Organisational Development introduced the report.

Guildford and Waverley Borough Councils agreed to enter a collaboration in July 2021, starting with the appointment of a Joint Management Team (JMT) as a way of bringing forward further business cases for collaboration. The intention was to provide a robust partnership to provide better value for residents.

The report before the Executive set out the progress made so far and made recommendations in respect of future collaboration options, including options analyses, governance, and financial matters.

A transformation programme was proposed as the means for fostering future closer collaboration between the councils, whilst maintaining the independence and sovereignty of both authorities. Agreement of the report's recommendations

would empower officers to proceed with the programme and to realise the benefits of the collaboration.

The Programme would support the five principles set out in the vision, notably, to remain accountable to their own residents; to enhance and protect the continued delivery of priority services in the face of financial challenge; to seek to achieve more together than could be achieved separately in response to the climate emergency; to harmonise internal processes and external service delivery except where there is a good reason not to and to build a stable basis for any future collaboration proposals.

The Executive was content with the report and the recommendations set out therein and consequently,

RESOLVED:

- (1) To note and endorse the Guildford and Waverley Partnership Vision statement, as set out in Appendix 1 to the report submitted to the Executive.
- (2) To note the progress made to date with regard to the Guildford and Waverley collaboration initiative, as set out in Appendix 2 and section 7 of the report.
- (3) To adopt the proposed Transformation and Collaboration Programme, as set out in Appendix 3 to the report.
- (4) To approve a project to explore the potential benefits of co-locating Guildford Borough Council and Waverley Borough Council staff within shared premises or single HQ, resourced separately from this Transformation and Collaboration Programme, and to receive a report for consideration with an options appraisal and recommendations.
- (5) To approve a project to explore a single shared officer structure between Guildford Borough Council and Waverley Borough Council, resourced through the initial Transformation and Collaboration budget allocations, and to receive a report for consideration with an options appraisal and recommendations.
- (6) To agree the additional resources as set out in section 10 of the report (£100,000 of revenue and £100,000 of capital. For Guildford Borough Council this would be funded from flexible use of capital receipts and the Finance Recovery Reserve. For Waverley Borough Council this would be funded from the invest to save reserve) to support the initial start-up of this

programme and notes how the revenue funding will be spent to secure officer support as set out within Appendix 4.

- (7) To note that the initial benefits realisation work with the joint Executive Heads of Service had been carried out by the Organisational Development and Finance Teams, with a rough order of magnitude for savings through collaboration projects at £700,000 but that this figure was expected to increase over time as the detail of more plans is developed.
- (8) To note that the required level of funding to support the delivery of the programme in the longer term cannot be made available at this time, necessitating a phased and prioritised approach in the first instance (focusing more on staff terms and conditions and immediate savings opportunities and less on the broader and more complex questions of the operating model for both authorities).
- (9) To consider, in February 2024, how the broader programme can be fully funded and taken forward when the budgets of both Councils are agreed (and adopting a revised programme structure in line with that increased level of funding at that time).
- (10) To approve the principle of the Guildford Borough Council and Waverley Borough Council Executives working in partnership on matters relating to the Transformation and Collaboration Programme.
- (11) To approve the principle of Simultaneous Executive Meetings (SEMs) for the Executives of Guildford Borough Council and Waverley Borough Council to consider matters relating to the Transformation and Collaboration Programme.
- (12) To delegate authority to the Joint Executive Head of Legal and Democratic Services to schedule regular meetings, as required, simultaneously of the Guildford Borough Council and Waverley Borough Council Executives, in consultation with the Leaders of both Councils.
- (13) To invite Overview and Scrutiny Committees to scrutinise and comment upon the draft options appraisals, the recommendations and the costs and savings before these are finalised and brought back to the Executive for further consideration.

Reasons:

1. To articulate and set the framework and goals for the collaborative work between Guildford Borough Council and Waverley Borough Council and provide a direction of travel;

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2. To enable collaborative work to continue with the resources available and allow officers to resubmit bids for funding to deliver the vision in future years;
3. To ensure Executive members of both Councils can jointly debate and decide matters coming to them relating to the Transformation and Collaboration programme, ensuring transparency and agile decision making across both authorities, whilst maintaining sovereignty of both councils;
4. To ensure decisions relating to sharing premises and staffing are subject to proper scrutiny; and
5. To support the plans of both councils to achieve financial sustainability, particularly for Guildford Borough Council in the light of the reset Budget 2023/24 report (Full Council 25 July 2023) and Financial Recovery Plan (Full Council 10 October 2023) and revised Medium Term Financial Plan (MTFP).

EX34 Adoption of the Green Belt Supplementary Planning Document

The report was introduced by the Lead Councillor for Planning, Environment and Climate Change. The Planning Policy officer team were commended for their work in producing the draft documentation.

The report recommended the adoption of the Green Belt Supplementary Planning Document (SPD). It was noted that the SPD did not create new policy but rather provided guidance for existing Green Belt policy as contained in Policy P2 of the Local Plan: strategy and sites 2015-2034. The SPD had taken around a year to produce and had been considered by the Council's cross-party internal Planning Policy Board (previously the Local Plan Panel). Appendix 2, paragraph 4.2 of the report set out how the SPD had been shaped following the comments made by that Board, including an additional insert to make a distinction for the use of buildings for agriculture and forestry uses.

If adopted, the SPD would be a material consideration in planning decisions. Adoption of the SPD would also help applicants and decision makers in the submission and determination of planning applications by providing additional clarity and ensuring better consistency.

The Executive,

RESOLVED:

That the Green Belt Supplementary Planning Document, as shown in Appendix 1 to the report submitted to the Executive, be adopted.

Reason:

Adopting the new SPD would provide detailed guidance for adopted Local Plan: Strategy and Sites policy P2. This would help ensure clarity and consistency in decision making.

EX35 Recycling Policy Review

The Lead Councillor for Planning, Environment and Climate Change introduced the report. Officers were commended for undertaking a review of the existing service and for the recommendations that had arisen as a result.

The Executive heard there were proposals to make changes to the Council's recycling policy in a number of areas. A review of the policy had been driven from a service challenge procedure and was focused on making the service more cost efficient for the taxpayer without substantial environmental or customer service impact.

The recommendations covered five areas relating to the operation of recycling 'bring' sites; the provision of refuse and recycling sacks to properties without space for wheeled bins; the provision of indoor use food waste caddies; the provision of kerbside food waste caddies and the provision of recycling bins.

'Bring' sites predated kerbside collections and were now said to make twice as much work for collection teams since the recycled materials were identical. The sites were costly to maintain and also attracted fly-tipping. The proposal was to retain two 'bring' sites and to convert them to recycling points for adjacent flats which currently had no space to recycle. Arrangements would be made to close the sites in late January 2024. There would be communications with residents to give notice and advise them of the change.

The proposal to withdraw the provision of black bin sacks to those households without space to accommodate the usual large, wheeled bins would provide a saving as such bin sacks were widely available at a relatively low cost. The Council would continue to provide recycling sacks as these needed to be transparent for collection purposes and as such were not so widely available. Similarly, the small household caddies were widely available commercially and at less cost than if the Council were to charge residents for them. Once again, there would be a strong communications plan to advise residents.

It was noted that the recommendations had been considered by the Community Executive Advisory Board on 7 September 2023 with the feedback from that meeting being in agreement.

The Executive was in agreement with the proposals and consequently,

RESOLVED:

1. To approve the closure of the recycling 'bring' sites across the borough, converting two – Station Parade in East Horsley and Portsmouth Road in Guildford – to flats recycling collection points.
2. To cease the supply of refuse sacks to the 1,917 properties that currently received them but to continue the supply of recycling sacks.
3. To cease supplying 7L internal food waste caddies for use in residents' kitchens.
4. To continue to supply 23L external kerbside food waste caddies.
5. To continue the supply of recycling bins.

Reason(s):

Acceptance of the proposals to close the 'bring' sites, cease the supply of refuse sacks and cease the supply of 7L internal food waste caddies allows a reduction in costs to the taxpayer with relatively little operational or customer service impact. Continuing the supply of 23L external kerbside food waste caddies and recycling bins allows the current service provision to continue uninterrupted while we wait for the impending recycling service regulatory update.

EX36 Medium Term Financial Plan (MTFP) and Financial Recovery Plan - November Update Report

The Lead Councillor for Finance and Property introduced the report and advised that progress continued to be made to address the Council's financial deficit. A key element to the progress was the outcome of the review of the Capital Programme. If approved by Budget Council in February this would remove £96.6m from the Approved and Provisional programmes which would reduce the Council's projected borrowing needs. Additionally, a further workstream within the Financial Recovery Plan was looking at the potential for asset disposals. A target sum of £50m of capital receipts was being sought which would help to further reduce the long-term borrowing needs of the Council. These disposal plans would be developed over the next few months, prior to the Council's budget being set in February 2024. This would also have an additional knock-on effect of reducing the revenue costs for the running and maintenance of the Council's assets.

In addition to reducing the borrowing needs there would be a review of fees and charges to seek to improve the current income levels to the Council. It was reported that the work to date on the Financial Recovery Plan had reduced the

July MTFP gap of £18.3m by £11m to £7.3m. Work would continue to address the deficit by means of further operational economies and asset disposals.

The Executive thanked officers and councillors for the hard work that had been undertaken to reach the current position but acknowledged that although excellent progress had been made, significant further work was still required to produce a balanced budget for 2024-25.

The Executive,

RESOLVED:

To note the updated MTFP position and the further work ongoing to produce a balanced budget for 2024-25.

Recommendation (to Council: 5 December 2023)

That the proposed changes to the Approved and Provisional Capital Programmes, as set out in Appendix 1 to the report, be approved.

Reasons:

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

EX37 Capital and Investment Outturn Report 2022-23

The outturn report included capital expenditure, non-treasury investments and treasury management performance for the 2022/23 financial year.

The Lead Councillor for Finance and Property commended the report to the Executive.

It was noted that the council's portfolio was performing well and with a balanced portfolio that included light industrial. Consequently, the council was not so exposed to the fluctuations in office space and retail as other councils.

The Executive,

RESOLVED:

To recommend to Council: 5 December 2023

1. That the capital and investment outturn report be noted.
2. That the actual prudential indicators reported for 2022/23, as detailed in Appendix 1 to the report, be approved.

Reasons:

1. To comply with the Council's treasury management policy statement, the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on treasury management and the CIPFA Prudential Code for Capital Finance in Local Authorities.
2. As per the treasury management code although the scrutiny of treasury management (and indeed all finance) has been delegated to the Corporate Governance & Standards Committee, ultimate responsibility remains with full Council, this report therefore fulfils that need.

EX38 Housing Revenue Account - Revenue Outturn Report 2022-23

The Housing Revenue Account (HRA) was a separate ringfenced account that recorded all the income and expenditure associated with the provision and management of Council-owned residential dwellings and other properties in the Borough. The requirement to maintain a Housing Revenue Account was set out in the Local Government and Housing Act 1989 and the requirements to publish final accounts was set out in the Accounts and Audit Regulations 2003.

The Leader and Lead Councillor for Housing introduced the report.

The Executive heard that the outturn report set out a surplus for the year of £7.76m. This was £3.12m less than the budgeted surplus of £10.89m. The reconciliation was set out in paragraph 7.4. The variance was made up of three parts: Higher total expenditure net of revaluation movements resulted in £3.5m overspent predominantly in repairs and maintenance; rental income was lower by £1m due to voids and increasing interest rates.

The surplus had been transferred to two reserves. A contribution of £2.5m to the reserve for future capital and a contribution of £5.26m to the New Build reserve. The HRA working balance at year-end remained at £2.5 million.

HRA capital expenditure totalled £26.3m against an original budget of £53.9m. Of this expenditure, major repairs totalled £20.3m against a budget of £24.5m. Provision of new housing was £6m expenditure against a budget of £27.5m due to delays of progression of schemes in the programme.

The Executive,

RESOLVED:

To note the final outturn position and to endorse the decision, taken under delegated authority, to transfer £2.5 million to the reserve for future capital, and

£5.26 million to the new build reserve from the revenue surplus of £7.76 million in 2022-23.

Reason:

To allow the Statutory Statement of Accounts to be finalised and subject to external audit prior to approval by the Council.

EX39 General Fund Revenue Outturn Report 2022-23

The report gave the final position on the General Fund revenue account and Collection Fund for the 2022-23 financial year and explained the major variances from the General Fund revised estimate and the adjustments made in the accounts as a result of the balance sheet review.

The Lead Councillor for Finance and Property commended the report to the Executive.

The Executive,

RESOLVED:

To note the final outturn position and to endorse the decisions taken under delegated authority to transfer the amounts set out in the report from the Medium-Term Financial Plan reserve.

Reasons:

1. To note the final outturn position and delegated decisions taken by the Chief Financial Officer which will be included in the statutory accounts.
2. To facilitate the ongoing financial management of the Council.

EX40 Timetable of Council and Committee Meetings 2024-25

The Executive considered the report that set out a draft timetable of Council and committee meetings for the next municipal year, for recommendation to Full Council.

The Executive,

RESOLVED

Recommendation (to Council: 5 December 2023)

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- (1) That the timetable of Council and Committee meetings for the 2024-25 municipal year, attached as Appendix 1 to the report submitted to the Executive, be approved.
- (2) That the Executive Head of Legal & Democratic Services be authorised, in consultation with political group leaders, to approve the Timetable of Council and Committee Meetings in future years.

Reason:

To assist with the preparation of individual committee work programmes.

EXECUTIVE

Councillor Julia McShane (Chairperson)

* Councillor Tom Hunt (Vice-Chair) – in the chair

* Councillor Angela Goodwin

* Councillor Carla Morson

* Councillor Catherine Houston

* Councillor George Potter

* Councillor Richard Lucas

* Councillor Merel Rehorst-Smith

*Present

Councillors Fiona White and Patrick Oven were in attendance.

Councillors Amanda Crease, Yves de Contades, Howard Smith and Joanne Shaw were also in remote attendance.

EX41 Apologies for Absence

Apologies were received from Councillor Julia McShane.

EX42 Local Code of Conduct - Disclosable Pecuniary Interest

There were no declarations of interest.

EX43 Minutes

The minutes of the meeting held on 23 November 2023 were confirmed as correct. The Chairman signed the minutes.

EX44 Leader's Announcements

The Deputy Leader noted that yesterday the council published its draft financial budget for 2024 to 2025. It proposed a balanced budget for the next financial year and provided an update on the Medium-Term Financial Plan position up to April 2027. All indications were that the council will not need to issue a section 114 notice. The draft budget would be reviewed at the following meetings:

- the Joint Executive Advisory Board on 11 January 2024;
- the Corporate Governance and Standards Committee on 18 January 2024;
- the Executive on 25 January 2024; and to be finally approved by
- Full Council on 7 February 2024

Gratitude was expressed to the finance team for all their hard work towards addressing the council's financial situation. It was noted that work would continue to ensure the council's future financial position remained stable.

The council was currently operating 22 bring sites of various sizes and locations across the borough. These were locations where residents could take unwanted textiles, shoes, bottles, and cardboard for recycling. These sites were introduced before good kerbside recycling services were established. As the council now had a much better recycling service - where all the items that residents can take to a bring site could be collected through the usual kerbside recycling collection – the decision has been taken to close them. The bring sites would be closing the week commencing 22 January 2024. It was noted that the sites at Station Parade, East Horsley and Portsmouth Road, Guildford would be converted to recycling points for nearby flats. The council was in the process of letting our community know about this change (following its approval at Executive on the 23 November) in a number of ways:

- signage on the bring sites themselves.
- emails to the landowners affected by this change to our service.
- information [on our website](#) containing more detailed guidance as to [how to dispose of household rubbish](#)
- social media posts to keep our residents fully informed about the services available through their kerbside collection.

Further updates would be provided in the regular fortnightly councillor update.

Schools and parish councils could now create projects with Crowdfund Guildford. There was still up to £5,000 funding available for community projects in the Autumn round. The deadline to create a project was 31 January 2024

Suitable projects attracting support were those that:

- supported those in need.
- improved rural areas.
- enhanced green spaces.
- promoted wildlife and nature.
- enhanced wellbeing

Any community group or person with an idea was encouraged to connect with Crowdfund Guildford, where they could support ongoing projects and bring their own to life. [Crowdfund Guildford website](#). Crowdfund Guildford was supported by UK Share Prosperity Fund.

Clean Air Night was happening for the first time on Wednesday, 24 January 2024. The council was participating in the Clean Air Night campaign in alliance with Global Action Plan. It was noted that new evidence had discovered that wood

burning damaged health and the planet. Clean Air Night was a chance to learn more and to hear expert voices on the myths of wood burning. The council would be sharing posts on social media channels to support the campaign hashtag #CleanAirNight. More information about Clean Air Night could be found by visiting Global Action Plan's website: www.cleanairhub.org.uk

EX45 Send Hill Disused Sandpit

The Executive considered a report recommending that the council-owned land known as Send Hill Disused Sandpit, be disposed of at best consideration. The land was an old landfill site that was surplus amenity and was used for the purposes of public recreation. It was identified in the Local Plan as development land for housing. The site was not considered appropriate for development by the council's Housing Revenue Account due to remediation costs and resource implications.

The Lead Councillor for Finance and Property introduced the report and advised that Executive authority was required for the disposal to proceed due to the size of the site and the anticipated value of the sale. It was noted that the matter had been before the Executive on a previous occasion when authority was given to undertake a contaminated land survey.

The Executive noted that the public comments set out in the report were generally opposed to the sale of the land. Public feedback questioned if the land would be suitable for development, suggested a potential impact for wildlife and that it was valued as a recreational area for local dog walkers. The Executive observed that any loss of amenity would be a matter for the Planning Committee and planning policy should any future application be submitted. A Right of Way immediately behind the site was noted and that public accessibility could be a consideration for any future planning application. It was commented that the Send Neighbourhood Plan had not, apparently, sought to designate the site as Green Space.

Whilst there was sympathy for those local residents opposing the sale, the site had been removed from the Green Belt and been listed for development in the Local Plan. The capital receipt received from the sale would be positively utilised by the council to protect and deliver services. Consequently, the Executive,

RESOLVED:

That, in line with the Land and Property Disposal Policy, the Executive authorises The Joint Executive Head, Assets and Property to negotiate terms for a disposal at best consideration and to subsequently enter into all relevant legal

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documentation required to complete the transaction of the Council owned land comprising Land West of Winds Ridge, Send Hill in return for a capital receipt.

Reason(s):

1. To facilitate the building of new homes in compliance with the local plan designation.
2. To generate Income (a capital receipt) and reduce revenue costs.