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Contact Officer:

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

19 July 2023

Dear Councillor

Your attendance is requested at a meeting of the **CORPORATE GOVERNANCE AND STANDARDS COMMITTEE** to be held in the Council Chamber, Millmead House, Millmead, Guildford, Surrey GU2 4BB on **THURSDAY 27 JULY 2023 at 7.00 pm.**

Yours faithfully

Tom Horwood
Chief Executive

MEMBERS OF THE COMMITTEE:

Chairman: Councillor Phil Bellamy
Vice-Chairman: Councillor Bob Hughes

Councillor Joss Bigmore
Councillor James Jones
Councillor George Potter
Councillor James Walsh
Councillor Fiona White

Co-optees:

+ Murray Litvak

(three co-opted parish members to be appointed by the Council on 25 July 2023)

+Independent member

Authorised Substitute Members:

Councillor Bilal Akhtar
Councillor Honor Brooker
Councillor Ruth Brothwell
Councillor Amanda Creese

Councillor Vanessa King
Councillor Richard Mills
Councillor Howard Smith
Councillor Katie Steel

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 Committee Services.

QUORUM 3

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

AGENDA

ITEM

1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

2 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS

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, you 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 - 12)

To confirm the minutes of the meeting of the Corporate Governance and Standards Committee held on 15 June 2023.

4 DECISION AND ACTION TRACKER (Pages 13 - 16)

5 UPDATE ON THE REVISED JOINT EQUALITY, DIVERSITY AND INCLUSION POLICY, AND ASSOCIATED ACTION PLAN (Pages 17 - 34)

6 EXTERNAL AUDIT FINDINGS REPORT 2020-21 (Pages 35 - 94)

7 AUDITED STATEMENT OF ACCOUNTS 2020-21 (Pages 95 - 216)

8 INTERNAL AUDIT PROGRESS REPORT (MAY 2023) (Pages 217 - 226)

9 MONITORING OF S.106 CONTRIBUTIONS (Pages 227 - 364)

10 PLANNING APPEALS MONITORING REPORT (Pages 365 - 374)

- 11 REVIEW OF TASK GROUPS REPORTING TO THE COMMITTEE**
(Pages 375 - 388)

- 12 REVIEW OF GUILDFORD BOROUGH COUNCIL'S COVERT
INVESTIGATIVE POWERS POLICY AND ALIGNMENT WITH THE
POLICY OF WAVERLEY BOROUGH COUNCIL** (Pages 389 - 440)

- 13 WORK PROGRAMME** (Pages 441 - 450)

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

15 June 2023

- * Councillor Phil Bellamy (Chairman)
- * Councillor Bob Hughes (Vice-Chairman)
 - Councillor Joss Bigmore
- * Councillor James Jones
 - Councillor George Potter
- * Councillor James Walsh
- * Councillor Fiona White

Independent Members:

- * Murray Litvak

Parish Members:

- * Julia Osborn
- * Ian Symes
- * Tim Wolfenden

*Present

The Leader of the Council, Councillor Julia McShane, the Lead Councillor for Engagement and Customer Services, Councillor Angela Goodwin, and the Lead Councillor for Community and Organisational Development, Councillor Carla Morson, and Councillor Ruth Brothwell were also in attendance.

Councillors Dawn Bennett, Catherine Houston, and Howard Smith were in remote attendance.

CGS1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillor Joss Bigmore, for whom Councillor Ruth Brothwell was substituting, and from Councillor George Potter.

CGS2 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS

There were no disclosures of interest.

CGS3 MINUTES

The minutes of the meeting of the Committee held on 15 March 2023 were approved as a correct record.

The Chairman signed the minutes.

CGS4 DECISION AND ACTION TRACKER

The Committee noted that the decision and action tracker had been introduced to monitor progress against the decisions and actions that the Committee had agreed, which would be kept up to date for each meeting. When decisions/actions were reported as being 'completed', the Committee would be asked to agree to remove these items from the tracker.

The Committee again noted that the first item on the tracker, which related to the Planning Appeals Monitoring Report, had been outstanding for a year due to a combination of staff sickness and staff turnover. The Committee agreed that an update on this should be provided as a matter of urgency.

Having noted the update set out on the Supplementary Information Sheet, the Committee

RESOLVED: That the decision and action tracker be noted and that the actions reported as being completed be removed from the table.

CGS5 RISK MANAGEMENT AND CORPORATE RISK REGISTER

The Committee considered a report on the changes that had been made to the corporate risk register since it was last presented to the Committee in November 2022. The report had also detailed how the new process continued to achieve the desired outcomes set out in the Risk Management Strategy and Policy as well as setting out the changes made to the Strategy and Policy by the Risk Management Group.

The Committee's attention was drawn to the update on the Supplementary Information Sheet in respect of Risk Reference CR32 (risk of designation by Secretary of State for failing to achieve national target for determining non major planning applications).

Since the November 2022 report, the Risk Management Group had met twice, most recently on 18 May 2023, when they reviewed the Corporate Risk Register.

The Corporate Risk Register set out in the report had included 31 risks in total, with 7 marked as red, 13 amber, and 8 green. Two of the risks had unscored residual risks that were waiting to be scored by the Risk Management Group and one new risk which needed to be completed by the Risk Management Group.

The Committee noted that, in the next quarter, officers would be working with the Council's insurers to hold risk challenge lessons and provide assurance for

risks that were red RAG rated, the aim of which was to assess whether the mitigation measures identified in the Corporate Risk Register would address the risk identified and also factors affecting the likelihood.

The following comments were made during the debate:

- In response to concerns expressed about the 7 red rated residual risks and how work would be prioritised to mitigate those risks, the Joint Strategic Director: Transformation and Governance informed the Committee that the risk register was a live document, with risks changing constantly, and the Corporate Management Board, the Executive, and the Lead Councillor monitoring the risks closely on a very regular basis.
- In response to a question regarding having sufficient staff capacity to deliver on the management of these risks, the Strategic Director confirmed that for some risks, for example Risk CR32, maintaining sufficient capacity had been very difficult. However, managing the risks was a day-to-day active management process. A more detailed explanation of how the Council will ensure that it has sufficient staff resources to achieve the various mitigations proposed would be provided.
- In response to a concern that there appeared to be no strategic solution to mitigating Risk CR6 (risk that the Council is unable to recruit and retain staff, including as a result of the collaboration), the Committee noted that part of the collaborative work with Waverley included a strategy on workforce development the aim of which was to identify how the Council could recruit, retain and develop staff, with a view to effective succession planning, particularly in those areas where this has been, and continues to be, difficult.
- Welcomed progress on implementing the risk management process, noting that in respect of the movement of risks, the only substantive change related to Risk CR9 (risk that capital programmes and projects experience issues that affect time, quality or budget). Concern was expressed that unmitigated likelihood had increased from five to six, and mitigated likelihood from four to five.
- It was noted that no commentary had been provided in respect of reasons for slippage on target dates for mitigation actions (e.g. Risks CR21 and CR25).
- It was also noted that some risks had shown the same gross and residual scores implying that the mitigations being proposed would have no impact on the likelihood of those risks occurring (e.g. Risks CR14 and CR24)
- Comment on whether it would be appropriate to include a risk in respect of air quality in the Corporate Risk Register.
- In response to these concerns, the Strategic Director: Transformation and Governance commented that officers had examined these risks carefully and

had asked some searching questions in respect of mitigations in terms of what they might look like and how effective they might be. It was clear that some planned mitigations had not had the desired impact. In relation to Risk CR21 (risk that the Council fails to meet its target of becoming net carbon zero for its own operations in Scope 1 and 2 by 2030) and given that almost half of the Council’s carbon emissions came from Guildford Spectrum, it was clear that, unless the Council had a plan in place now to address it, there was little scope to reduce the risk of failing to meet that target.

- In response to a query regarding the need for robust business cases and strategic direction associated with Risk CR8 (risk that the Guildford/ Waverley collaboration does not meet its objectives) the Strategic Director reminded the Committee that the initial plan for collaborative working with Waverley related to the establishment of a joint management team, which was in place with effect from 1 October 2022. Since then, there had been considerable work undertaken in terms of sharing resources, via a Section 113 Agreement. It was now proposed to take a report to both councils seeking authority for the joint management team to proceed with further collaborative work including bringing forward business cases in that regard.

Having considered the report, the Committee

RESOLVED: That the progress made to implement the risk management process be noted and that officers be requested to respond to the Committee’s observations and comments referred to above where further information is required.

Reason:

The Risk Management Strategy and Policy states that this Committee will review the corporate risk register on a six-monthly basis. It is the responsibility of the Committee to ensure it is satisfied that the Council operates and maintains a robust and effective risk management process

Action:	Officer to action:
To provide a more detailed explanation of how the Council will ensure that it has sufficient staff resources to achieve the various mitigations proposed in the Corporate Risk Register.	Executive Head of Organisational Development
To provide commentary in respect of: <ul style="list-style-type: none"> • reasons for slippage on target dates for mitigation actions (e.g. Risks CR21 and CR25); and • whether it would be appropriate to include a risk in respect of air quality in the Corporate Risk Register. 	Executive Head of Organisational Development

CGS6 FREEDOM OF INFORMATION COMPLIANCE - ANNUAL REPORT 2022-23

The Committee considered the annual report for 2022-23 on the monitoring of the Council's performance in dealing with Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests.

Following a fall in performance standards during 2020-21, largely due to the Covid pandemic lockdown and recent corporate restructures, performance rates for timely delivery of FOI/EIR requests within the 20- working day deadline had since improved over the 2021-22 and 2022-23 financial years.

The Committee noted that the Council had received 691 FOI/EIR requests during the financial year 2022-23. Of these, 92.7% had been responded to within the 20-working day deadline, compared to the very similar figure of 92% for 2021-22. Both of the previous years' figures had indicated a steady improvement when compared with the 2020-21 financial year when 82% of requests had been answered within the target. The Council had therefore exceeded the Information Commissioner's performance indicator of 85%, and the 90% target agreed by Corporate Management Board for two consecutive years.

Furthermore, following the Committee's request to monitor, as an additional target, response rates dealt with promptly within 10 working days, the report had noted that, during 2022-23, 253 requests (36.5% of the total) had been responded to within 10 or fewer working days.

Questions and comments from the Committee raised the following points:

- It was suggested that the correspondent groups in the table showing the categories of requester should be in descending order of number of requests
- It was suggested that each service area should have a target 90% response rate within 20 working days.
- In response to a query as to when the 20 working days began, the Information Governance Officer confirmed that this was generally taken to be the point at which the request was received by the Council.

The Committee

RESOLVED: That the improved response rates and officer actions contained within the Freedom of Information Compliance Annual Report for 2022-23 be noted and that the Committee continues to receive regular updates.

Reasons:

- To ensure that the Committee is kept up to date with developments in the FOI/EIR framework
- To ensure that the Committee has the necessary information to enable requests for information to be made easily to the Council and properly responded to
- To assist with learning lessons and improving performance following requests for information made to the Council

Action:	Officer to action:
<ul style="list-style-type: none">• To list the correspondent groups in the table showing the categories of requester in descending order of number of requests in future reports• To consider whether each service area should, in future, have a target 90% response rate within 20 working days.	Information Governance Officer

CGS7 WORK PROGRAMME

The Committee

RESOLVED: That the updated 12 month rolling work programme, as set out in Appendix 1 to the report submitted to the Committee, be approved.

Reason:

To allow the Committee to maintain and update its work programme.

Before closing the meeting, the chairman informed the Committee that this would be Ian Symes' final meeting as a co-opted parish member, as he had opted not to seek re-appointment. The Committee thanked Mr Symes for his 14 years' service as a co-opted member of the Committee and its predecessor Committee and wished him well for the future.

The meeting finished at 8.17 pm

Signed

Date

Chairman

Corporate Governance and Standards Committee

27 July 2023

Decision and Action tracker

This tracker monitors progress against the decisions and actions that the Committee has agreed since January 2022. It is updated for each committee meeting. When actions are reported as being ‘completed’, the Committee will be asked to agree to remove these items from the tracker.

The actions listed below are outstanding.

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
16 June 2022	Planning Appeals Monitoring Report	To provide an update to members of the Committee on the outcome of a review of the correspondence received from a member of public in relation to alleged inaccuracies in the figures in the report.	Executive Head of Planning Development	Update to be provided orally at the Committee meeting on 27 July 2023
6 October 2022	Financial Monitoring 2022-23	To ensure that future reports clarify the extent to which debts were overdue and further information as to the reason why a high proportion of overdue debt has no payment plan.	Executive Head of Finance	Not yet provided
15 June 2023	Risk Management and Corporate Risk Register	(a) To provide a more detailed explanation of how the Council will ensure that it has sufficient staff resources to achieve the various mitigations proposed in the Corporate Risk Register.	Executive Head of Organisational Development Executive Head of Organisational Development	(a) As part of the Risk Management Framework, the Risk Management Group will be reviewing all mitigating actions for red risks in the Enterprise Portfolio, Corporate, Service and Project Board

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
		<p>(b) To provide commentary in respect of:</p> <ul style="list-style-type: none"> • reasons for slippage on target dates for mitigation actions (e.g. Risks CR21 and CR25); and • whether it would be appropriate to include a risk in respect of air quality in the Corporate Risk Register. 		<p>Risk Registers. Facilitation provided by a specialist from our insurers and will include identifying evidence and available resources to back up the mitigations; and consider how they are being monitored. They will also consider whether the mitigations identified are sufficient to address the issues and effects of the risks identified and look at timescales to address them.</p> <p>The outcomes will be presented back to the Corporate Management Board and in the 6-monthly report to CGSC in November on the current situation.</p> <p>(b) For CR21, an important part of the work to develop the Council's climate reduction action plan was to ensure it was reviewed by all relevant officers and teams within</p>

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
				<p>the Council who would be delivering it and this phase of the project took slightly longer than originally planned. The action plan has since been adopted. The mitigating action for CR25 hasn't slipped but it is instead an ongoing action. Officers will review whether this is properly reflected in the risk register as it is currently drafted.</p> <p>Council officers have met with Zurich to discuss the risks around GBC's Climate Change aims and we are currently working together to develop a risk register for the implications of the programme. The question of a risk related to air quality will be considered as part of this process.</p>
15 June 2023	Freedom of Information Compliance - Annual Report 2022-23	<ul style="list-style-type: none"> To list the correspondent groups in the table showing the categories of requester 	Information Governance Officer	<ul style="list-style-type: none"> Noted for future reports

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
		<p>in descending order of number of requests in future reports</p> <ul style="list-style-type: none"> To consider whether each service area should, in future, have a target 90% response rate within 20 working days. 		<ul style="list-style-type: none"> To be referred to Corporate Management Board – if approved, all service areas to be advised that they are expected to achieve the 90% target response rate within 20 working days

Guildford Borough Council

Report to: Corporate Governance and Standards Committee

Date: 27 July 2023

Ward(s) affected: n/a

Report of Director: Transformation & Governance

Author: Ali Holman, Specialist HR (Business Partner

Tel: 01483 444008

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Lead Councillor responsible: Carla Morson

Tel: 07843 489796

Email: carla.morson@guildford.gov.uk

Report Status: Open

Update on the revised, joint Equality, Diversity and Inclusion Policy, and associated action plan

1. Executive Summary

1.1 Under the Equality Act 2010 there are statutory obligations for organisations to have equality objectives and to adhere to the general and specific duties within the Act.

1.2 The key objectives of the updated policy and action plan are:

- To demonstrate how the Council will meet its legal obligations set out in the Equality Act 2010
- To provide a structured and easy to understand equality framework
- To ensure that our workforce encourages equality, diversity and inclusion to help prevent legal challenges arising from bullying,

harassment or discrimination.

- 1.3 The policy itself has been updated in June 2023 in collaboration with Waverley Borough Council and is now a shared policy (albeit with a separate action plan for each Council). It is reviewed annually and updated every three years. The action plan itself has been updated to be more accessible and easier to use. It is an organic document which is reviewed by the Equality, Diversity and Inclusion Group every quarter and progress updated annually to this Committee.

2. Recommendation to Committee

- 2.1. That the Committee approves the updated Equality, Diversity and Inclusion policy and its associated Action Plan as set out in Appendices 1 and 2.

3. Reason for Recommendation

- 3.1. To assist us in meeting our obligations under the Equality Act 2010 and to provide a way to measure and evidence our work in this area.

4. Exemption from publication

- 4.1. No

5. Purpose of Report

- 5.1. To obtain approval of the updated, joint policy and Guildford's Action Plan.

6. Strategic Priorities

- 6.1. To further collaborate with Waverley in having a joint ED&I policy

- 6.2. To contribute to the Council's fundamental theme of supporting older, more vulnerable and less advantaged people in our community.

7. Background

- 7.1. A workplace encouraging equality, diversity and inclusion can help:

1. Make it more successful
2. Keep employees happy and motivated
3. Prevent serious or legal issues arising, such as bullying, harassment, or discrimination
4. To better serve a diverse range of customers
5. To improve ideas and problem solving
6. To attract and retain quality staff and become an employer of choice.

- 7.2. The detailed action plan is attached as **Appendix 1**. Some key actions taken and updates under each heading of the plan include:

Provide high quality public services which are accessible to all and delivered fairly, and ensure under-represented groups throughout the Borough are able to access our services

- Guidance on reasonable adjustments for service users published to all staff.
- Video training on how to complete Equality Impact Assessments is finished and waiting to be published.

Work with partners and stakeholders to develop Communities where equality, diversity and inclusion are respected, and discrimination is eliminated

- EDI training for Councillors took place in July 2023
- Review of Disability Confident Scheme and rating.

Improve inclusion and value differences by supporting EDI initiatives and communicating the embedding equality and diversity practices into the whole organisation.

- The joint Waverley and Guildford policy has been approved by CMB and is being submitted to this Committee for final

review. Plan to update the intranet with our EDI objectives to ensure a joint Council approach.

- A menopause survey is planned along with a period dignity project with a view to signposting and removing stigma.
- Support the organisation in addressing gender and ethnicity pay gaps, and diversity under-representation.

Promote and environment where people feel safe to challenge discriminatory behaviour and language.

- All staff email to promote the use of personal pronouns jointly to both Waverley and Guildford – awaiting publication
- Planned update on equality fields in Business World, then undertake EDI data refresh.

7.3. Endorsement of the updated policy and action plan will re-affirm the Council's commitment to equality and diversity as well as highlighting its stance on key issues such as sexual and racial discrimination.

7.4. The actions will develop and change over time and progress will be reviewed periodically by CMB.

8. Consultations

8.1. No formal consultations conducted as this is a progress update on the revised policy and action plan.

9. Key Risks

9.1. No risks have been identified

10. Financial Implications

10.1. There are no financial implications. Existing employees form the ED&I group.

11. Legal Implications

- 11.1. The Equality and Human Rights Commission is the regulatory body responsible for enforcing the Equality Act. They have a range of enforcement powers, from guidance to investigations and court action where organisations fail to meet their obligations.
- 11.2. It is not a legal requirement to have an equality policy or action plan; however, there are obligations to have equality objectives and to adhere to the general and specific duties of the Equality Act. The policy and action plan are an ideal minimum to evidence this.

12. Human Resource Implications

- 12.1. Equality and diversity form a fundamental part of the HR team's remit. There are therefore no HR implications.

13. Equality and Diversity Implications

- 13.1. The Equality Impact Assessment for this policy was completed in May 2023 and found no negative E&D implications.

14. Climate Change/Sustainability Implications

None

15. Summary of Options

- 15.1. Option 1
To approve and comment, if applicable, on the reviewed policy and action plan – this is the recommended option.
- 15.2. Option 2
To not approve the policy. This option carries some risk as it may result in the Council not adhering to the duties of the Equality Act. This

could result in an increase in discrimination claims, potential reputational damage and potential court action by the EHRC.

16. Conclusion

- 16.1. The Equality, Diversity and Inclusion Policy has been reviewed in collaboration with Waverley Borough Council and is presented to this Committee for approval.
- 16.2. The action plan has been updated and refreshed so that it is more user friendly and practical.
- 16.3. Having a diverse and inclusive workforce is fundamental to the success of any organisation and our senior management are committed to equality and diversity both throughout the organisation and for our service users.
- 16.4. Discrimination claims are uncapped in employment law and it makes sense to ensure the organisation protects itself from breaches of the Equality Act.

17. Background Papers

None

18. Appendices

Appendix 1: Equality, Diversity and Inclusion Policy
Appendix 2: Equality action plan



Equality, Diversity and Inclusion Policy

Latest version number: 0.3

Latest publication date:

Team: Guildford HR Team and Waverley Corporate Policy Team

Document Information & Governance

Approval & Publication:

Approving Body	Approval route requirement	Publication Type	Publication requirement	Review frequency	Document owner	Next Review Date
CMB		Internal/external		Every 2 years	Jointly: WBC Corporate Policy Manager/GBC HR EDI Specialist	March 2025

Version Control Information:

Version	Version Status (Draft, Approved /Published Internally or Externally)	Date	Version Comment	Version Author
V0.1	Draft	January 2023	Creation of the document	Grace da Costa
V0.2	Draft	February 2023	Reviewed by Corporate Policy Manager	Louise Norie
V0.2	Draft	April 2023	Reviewed by PFH. Corporate Equality Group, HR	Louise Norie
V0.3	Draft	April 28 2023	Draft sent to GBC for sign off	Louise Norie
	Approved Draft	May 23 2023	Approved by CMB	
	Approved Draft		Executive Briefing	
			Resources Overview & Scrutiny	
	Final Approval		Approved by the Executive	
	Published		1 st Publication	
		2025	Full Annual review	

Impact Assessments and Consideration:

Impact Assessment Type	Required / Not Required	Date Completed	Impact Assessments and Considerations Comment	Assessment Owner
Equality Impact Assessment	Required	18 May 2023		Louise Norie
Data Protection Impact Assessment	Not required			
Climate Change	Not required			

1. Document Statement

We recognise the value and worth of everyone who lives and works in our respective Boroughs. This policy sets out our commitment as an employer, community leader and provider of services to actively promote equality, diversity and inclusion and commit to equal opportunities for all, upholding the provisions of the Equality Act 2010.

2. Scope and Purpose

The scope of this policy covers not only the role of the council as a major employer and provider of services but also recognises that we have an important role to play as a community leader. This policy sets out our commitment to the values of equality, diversity and inclusion (EDI) and their importance in underlying everything we do as a council.

2.1 Our Equality Objectives

Our equality objectives, published on our website, make a commitment to:

- provide high quality public services which are accessible to all; delivered fairly and with an understanding of where need is greatest
- work with partners to develop cohesive communities where equality, diversity and inclusion are respected and championed in accordance with the principles above and discrimination is eliminated
- actively welcome into Waverley those world citizens who are seeking refuge in the UK from war, repression, natural disasters, extreme hunger and poverty
- actively welcome and respect difference and recognise the performance benefits that a diverse and engaged workforce brings and build a culture in which the contribution everyone makes is valued, recognised and celebrated
- promote an environment where people feel safe to challenge discriminatory behaviour and discriminatory language and will respond swiftly and transparently to any such allegations.

2.2 Our Legislative and Regulatory Requirements

The [Equality Act 2010](#) legally protects people from discrimination in the workplace and in wider society. The following protected characteristics are covered by the Act:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

As a local authority, we have both general and specific duties under the Public Sector Equality Duty. The **general duty** sets out three main aims. As a public body, we must have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act

Appendix 1

- advance equality of opportunity between people who share a protected characteristic and those who do not
- foster good relations between people who share a protected characteristic and those who do not.

The Act states that compliance with the equality duty may involve treating some people more favourably than others in order to take account of their differing needs.

The **specific duties** are:

- to publish equality information annually to demonstrate compliance with the general equality duty. This includes information relating to people with protected characteristics who are: its employees, or affected by its policies and practices e.g. service users.
- to publish at least one equality objective we think we should achieve in order to meet the general duty. This must be done at least every four years and objectives must be specific and measurable.

2.3 As an Employer

We commit to creating a working environment free of bullying, harassment, victimisation and unlawful discrimination, promoting dignity and respect for all, and where individual differences and the contributions of all staff are recognised and valued.

We carry out the following **monitoring** to ensure we are treating everyone fairly and without bias or discrimination.

- Reporting on data held on the HR management system.
- Reporting on data collected through the recruitment process.
- Monitoring and publishing quarterly workforce profiles and gender pay gap data annually.
- Maintaining an up-to-date EDI action plan monitored by our Equality Group.
- Monitoring and taking appropriate action on reports from our employees regarding any aggression, accidents, bullying or near misses.
- Continue to review our HR policies and ensure gender neutral language is being used.
- Take appropriate action in response to complaints of discrimination or other inappropriate behaviour.
- Enable managers to make reasonable adjustments to meet the needs of staff with a disability so that they can carry out their work.
- Conduct staff surveys regularly to find out what employees think and feel about working for the council.

Recruitment

The recruitment process is designed to give all candidates equal opportunities and to ensure decisions are based on merit (apart from in any necessary and limited exemptions and exceptions allowed under the Equality Act.)

The interview procedure ensures that interview panels must be made up of fully trained interviewers. Reasonable adjustments must be made for anyone who identifies as having a disability as defined under the Equality Act 2010 and interviewers must be aware of their equality responsibilities and ensure that these are met. Consideration should be given to using panel members from other services to provide balance and the gender/age mix of the panel bearing in mind the nature of the role being interviewed for. Interviews must be inclusive, welcoming, private and give the candidate a positive experience of the council whether or not they are successful.

We are:

- a Disability Confident organisation.
- supportive of the Armed Forces Covenant.

Learning and Development

EDI learning and development is crucial to the EDI Policy and is already an established area of good practice. Opportunities for learning, training and development will be available to all staff, who will be helped and encouraged to develop their full potential, so their talents and resources can be fully utilised to maximise the efficiency of the organisation.

We offer:

- Mandatory induction training on EDI awareness.
- Additional EDI training workshops through Surrey Learn and other providers on a range of learning including Neurodiversity in the Workplace, Gypsy and Traveller awareness, disability awareness, dementia, resilience training, health and wellbeing, Mental First Aid and commitment to the [Time to Change Employers Pledge](#).
- Regular internal communications raising awareness of cultural, religious and wellbeing events.
- Positive action through additional training/support .

We also have internal equality groups that meet regularly.

Performance management

Performance is managed through an annual performance agreement process at which performance is assessed, targets are set and EDI support needs discussed as appropriate.

Managers are enabled to make reasonable adjustments to meet and support the needs of staff with a disability to ensure barriers to work are minimised.

Employees

We expect all employees to be treated, and to treat others, with fairness, dignity and respect. Where behaviour falls short and unfair treatment is identified, we will take steps to correct this through the normal procedures. We take a zero tolerance approach to bullying, discrimination and harassment and will investigate any complaints of this nature thoroughly.

To support our employees in this approach, we have robust policies including equal opportunities, bullying and harassment at work, staff code of conduct, dignity and respect policy, grievance and discipline. These policies are regularly reviewed and equality checked to take account of changes in the law and equality impact assessments are undertaken.

The council aims to provide an accessible and inclusive working environment where the contribution everyone makes is valued, recognised and celebrated and everyone feels comfortable to be themselves.

2.4 As a Provider of Services

The council provides over a hundred different services to residents, businesses and customers. We are committed to “providing high quality public services which are accessible to all; delivered fairly and with an understanding of where need is greatest”. (Equality Objective)

We expect contractors, working on our behalf, to uphold and demonstrate at least the same commitment to the values of equality, diversity and inclusion as the council and the legal obligations under the Public Sector Equality Duty.

Equality Impact Assessments

Service managers are responsible for carrying out appropriate Equality Impact Assessments to ensure there is no discrimination in the way services are provided. Impact assessments should be carried out when there are proposals to change service delivery, policies or practices and should result in the mitigation of any negative effects that might arise. Impact assessments should be done at the start of project. It is important that decision makers take ‘due regard’ of the impact of the changes or policies proposed and therefore the evidence of the impact assessment should be included in the decision making process.

Complaints Process

All complaints of bullying, harassment, victimisation and unlawful discrimination by employees, customers, suppliers, visitors, the public and any others in the course of the organisation’s work activities will be taken seriously. Complaints will be investigated under the Council’s complaints procedure and appropriate action taken.

Customer Surveys

When conducting customer surveys, it is important to ensure that those responding are a representative sample of the customer base. Equality monitoring questions should be included on a proportionate basis and guidance can be found on the council’s intranet.

2.5 As a Community Leader

In our role as Community Leaders, we are committed to:

- working with partners to develop cohesive communities where equality, diversity and inclusion are respected and championed and discrimination is eliminated
- actively welcoming into Waverley those world citizens who are seeking refuge in the UK from war, repression, natural disasters, extreme hunger and poverty.
- actively welcoming and respecting difference and recognising the performance benefits that a diverse and engaged workforce brings and build a culture in which the contribution everyone makes is valued recognised and celebrated.
- promoting an environment where people feel safe to challenge discriminatory behaviour and discriminatory language and will respond swiftly and transparently to any such allegations.

3. Document Improvement

The Council welcomes comments and feedback on its policies and procedures. Please contact the Waverley Corporate Policy Manager, Organisational Development, or the Specialist – HR (Business Partner) for Guildford, if you have any comments.

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Guildford Equality, Diversity and Inclusion Action Plan 2022/23

The following action plan focuses on achieving our priority outcomes for 2022-2023. Progress will be monitored by the Corporate Equality Group at each of its meetings where the plan will be reviewed.

1. Provide high quality public services which are accessible to all and delivered fairly (engagement, consultation, EIAs, collaboration) and ensure that under-represented groups throughout the borough are able to access our services (EIAs, reasonable adjustments etc).

	Actions	Deadline	Lead Officer	Action to be taken/taken	Date completed	RAG Rating
1.1	EIA training (video)	September 2023	Specialist Training	Content finished, with HC for finalising		
1.2	Reasonable adjustment guidance for service users with disabilities	Feb 2023	Specialist HR	This has been circulated to all staff along with accessibility guidance for Word documents.	Feb 23	
1.3	Challenge managers when reports have no EDI implications and no EIA	Ongoing	all	Requesting EIA when one isn't provided, challenging poor EIAs, provide training (as above)		
1.4	Publish workforce profile by end of March annually	Annual	Specialist HR	Published May 23	May 23	
1.5	Ensure that customer complaints and compliments from people with protected characteristics are dealt with effectively	Ongoing	Customer Svs Mngr	JB running projects outside of CSAT system (as uptake on CSAT is low) to ensure equality complaints picked up		

2. Work with partners and stakeholders to develop communities where equality, diversity and inclusion are respected and discrimination is eliminated

	Actions	Deadline	Lead Officer	Action to be taken/taken	Date completed	RAG rating
2.1	EDI training for Councillors	4/7/23		AH attending online to answer queries etc	4/7/23	
2.2	Review of Disability Confidence scheme and rating	TBC	Specialist HR			

3. Improve inclusion and value difference by supporting internal EDI initiatives, and communicating and embedding EDI practices into the whole organisation

	Actions	Deadline	Lead Officer	Action to be taken/taken	Date completed	RAG Rating
Page 32 3.1	Joint/shared EDI policy for Waverley and Guildford	July 23	Specialist HR	Worked with Wav to create a shared policy with common objectives Once reviewed by CGSC (July 23), update intranet		
3.2	Support the development of staff diversity networks, where there is interest, for people with protected characteristics to develop their role and profile (e.g. LGBTQ+, women etc)	Ongoing	all	Include a piece in Tom's staff email to gauge interest		
3.3	Menopause survey with a view to providing policy, guidance or signposting depending on results	September 23	Specialist HR			
3.4	Training focussed on 'banter' culture to tackle potential discrimination	TBC	Specialist Training			
3.5	Ensure pay and benefits are regularly reviewed and that staff are paid fairly and equitably	End of March annually	Lead Specialist HR	Equal pay review published annually	March 23	

4. Promote an environment where people feel safe to challenge discriminatory behaviour and language. Help to create a culture where staff feel comfortable to be themselves, to be open about our differences and to ask for help if needed.

	Actions	Deadline	Lead Officer	Action to be taken/taken	Date completed	RAG Rating
4.1	All staff email being sent jointly to both Councils encouraging the use of personal pronouns in email signatures	June 23	Specialist HR	Shared approach for Wav and GBC. Wording is agreed. Awaiting Tom to send email		
4.2	Update BW to reflect best practice in protected characteristics	TBC	Specialist IT	e.g. need to include gender reassignment, trans (?), marriage/civil partnership, more options for pronouns. Need to find out if this is possible on BW		
4.3	Undertake a EDI data refresh across the Council encouraging staff to update their own records.	TBC (depending on above)	HR	All staff email? Paper forms for staff without access?		
	Align processes between Waverley and Guildford	Ongoing		e.g agile working, job evaluation etc		

DRAFT - UNDER REVIEW

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Guildford Borough Council

Report to: Corporate Governance and Standards Committee

Date: 27 July 2023

Ward(s) affected: All wards

Report of Director: Transformation & Governance

Author: Vicky Worsfold

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Report Status: Open

2020/21 Audit findings report – year ended 31 March 2021

1. Executive Summary

- 1.1 The audit of the 2020/21 accounts is complete and the independent auditor has issued an unqualified opinion on the financial statements, which the CFO will re-certify in accordance with the Accounts and Audit Regulations 2015 immediately after the committee meeting. The auditors have issued an Audit Findings report, which is included as Appendix 1, along with a management action plan.
- 1.2 There were some adjustments to the primary statements required as a result of the audit and these, along with what actions were taken, are highlighted in the audit findings report. There are also some minor changes that are not individually significant enough to warrant separate disclosure in the findings report.

- 1.3 The 2020/21 Auditors Annual Report (was VFM) will be reported together with the 2021/22 Auditors Annual report and will be presented to Councillors as a separate report to a future Committee.
- 1.4 The Chair of the Corporate Governance and Standards Committee is required to issue a letter of representation on behalf of the Council to the auditors to provide assurance over the management framework operating at the Council and the disclosures in the accounts. A copy of the proposed letter is provided at Appendix 2

2. Recommendation to Committee

That the Committee:

- 2.1. Notes Grant Thornton's Audit Findings Report and the management responses provided in the action plan.
- 2.2. Approves the letter of representation on behalf of the Council and authorises the Chair of the meeting to sign the letter on the Council's behalf.

3. Reason for Recommendation:

- 3.1. To allow the external auditor to issue his opinion on the 2020-21 accounts

4. Exemption from publication

No

5. Purpose of Report

- 5.1. The report asks the Committee to consider the external auditor's Audit Findings Report (AFR) for the 2020-21 financial year and the issues it raises.
- 5.2. I would usually add a summary of details in here, but I havent seen it yet!

6. Strategic Priorities

- 6.1. Good financial management underpins the achievement of the Council's Corporate Plan.

7. Background

- 7.1. Grant Thornton prepares its AFR to meet the requirements of the Local Audit and Accountability Act 2014 and the National Audit Office of Audit Practice by reporting on:

- The Council's financial statements; and
- Whether the Council has made proper arrangements for securing value for money in its use of resources

- 7.2. The International Standard on Auditing 260 requires "those charged with governance" to consider the report before the external auditor can sign off his opinion on the accounts. The deadline for issuing the audit opinion for 2020-21 has long since passed, being November 2021.

- 7.3. The draft AFR for 2020-21 is attached as **Appendix 1**.

- 7.4. This Committee has authority to approve the accounts on behalf of the Council. For the auditor to conclude their audit, the Council is required to send a letter of representation to the auditors to provide assurance over the management framework and the disclosures made in the accounts. A copy of the proposed letter of representation is at **Appendix 2**.

8. Consultations

- 8.1. The Lead Councillor for Finance has been briefed on the 2020-21 accounts and the progress of the audit.

9. Key Risks

- 9.1. The conclusion of the 2020-21 statement of accounts is very late and past the government deadlines. There are discussions across the Country and within Government about the “state” of audit in England. DLUHC have issued a letter to all local authorities in England outlining the work they have been doing to resolve the auditing issues. We know from the updated budget paper, presented to this Committee on 18 July 2023 that items in the accounts have been found now (whilst closing 2022-23) relating to 2020-21 and 2021-22 that would have been picked up sooner if the audits had been completed on time.

10. Financial Implications

- 10.1. There are no specific financial implications arising from this report.

11. Legal Implications

- 11.1. The International Standard on Auditing (UK and Ireland) 260 requires the external auditor to report any issues arising from the audit of the Financial Statements to those charged with Governance. In the Council’s case this is the Corporate Governance and Standards Committee.
- 11.2. The International Standard on Auditing (UK and Ireland) 580 requires the Chief Financial Officer to send a letter of representation to the external auditor. **Appendix 2** is the draft of the 2020-21 letter of representation which officers recommend that the Committee approves and that the chair of the meeting signs on the Council’s behalf.

12. Human Resource Implications

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

13. Equality and Diversity Implications

- 13.1. There are no Equality and Diversity implications arising from the report.

14. Climate Change/Sustainability Implications

- 14.1 There are no Climate Change / Sustainability implications arising from the report.

15. Summary of Options

- 15.1 The 2020-21 accounts and letter of representation must be signed on completion of the audit.

16. Conclusion

- 16.1 The 2020-21 accounts have been audited and given an unqualified opinion, which the CFO will re-certify in accordance with the Accounts and Audit Regulations 2015.

17. Background Papers

2020-21 Statement of Accounts

18. Appendices

Appendix 1: Draft Audit Findings Report 2020-21

Appendix 2: Letter of Representation

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The Audit Findings for Guildford Borough Council

Year ended 31 March 2021

Guildford Borough Council
July 2023
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Contents



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Section

1. Headlines
2. Financial statements
3. Value for money arrangements
4. Independence and ethics

Appendices

- A. Action plan
- B. Follow up of prior year recommendations
- C. Audit adjustments
- D. Fees

This Audit Findings presents the observations arising from the audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260. Its contents were discussed with management and the Corporate Governance and Standards Committee.

Paul Cuttle
For Grant Thornton UK LLP
July 2023

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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Council or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Agenda item number: 6
Appendix 1

1. Headlines

This table summarises the key findings and other matters arising from the statutory audit of Guildford Borough Council ('the Council') and the preparation of Council's financial statements for the year ended 31 March 2021 for those charged with governance.

Financial Statements

Under International Standards of Audit (UK) (ISAs) and the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to report whether, in our opinion:

- the Council's financial statements give a true and fair view of the financial position of the Council and its income and expenditure for the year; and
- have been properly prepared in accordance with the CIPFA/LASAAC code of practice on local authority accounting and prepared in accordance with the Local Audit and Accountability Act 2014.

We are also required to report whether other information published together with the audited financial statements (including the Annual Governance Statement (AGS) and Narrative Report, is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Our audit work was substantially completed remotely between June 2021-July 2023. Our findings are summarised on pages 24 to 47. We have identified ten adjustments to the financial statements that have resulted in a £8.5m adjustment to the Council's Comprehensive Income and Expenditure Statement. Audit adjustments are detailed in Appendix C. We have also raised a number of recommendations for management as a result of our audit work in Appendix A. Our follow up of recommendations from the prior year's audit are detailed in Appendix B.

Our work is substantially complete and there are no matters of which we are aware that would require modification of our audit opinion or material changes to the financial statements, subject to the following outstanding matters;

- Remaining procedures on investment properties, other expenditures, completeness of expenditures, financial instruments, remuneration disclosures, capital disclosures and collection fund;
- Receipt of management representation letter; and
- Review of the final set of financial statements.

We have concluded that the other information to be published with the financial statements, is consistent with our knowledge of your organisation and the financial statements we have audited.

Our anticipated audit report opinion will be unmodified.

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Auditors are now required to report in more detail on the Council's overall arrangements, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

Auditors are required to report their commentary on the Council's arrangements under the following specified criteria:

- Improving economy, efficiency and effectiveness;
- Financial sustainability; and
- Governance

Our value for money work is substantially complete and we intend to issue our Auditor's Annual Report imminently. As part of our work, we considered whether there were any risks of significant weakness in the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources. We did not identify any risks of significant weakness at the planning stage of the audit however as a result of the issues arising during the audit we expect to report there are significant weaknesses in arrangements relating to capacity within the finance team and ability to prepare financial statements. Our assessment is explained in detail on page 18.

1. Headlines

Statutory duties

The Local Audit and Accountability Act 2014 ('the Act') also requires us to:

- report to you if we have applied any of the additional powers and duties ascribed to us under the Act; and
- to certify the closure of the audit.

We have not exercised any of our additional statutory powers or duties at this time but are considering doing so. As explained on page 18, we expect to report there are significant weaknesses in arrangements relating to capacity within the finance team and ability to prepare financial statements. We may also determine that it is appropriate to issue written recommendations under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.

A recommendation under schedule 7 requires the body to discuss and respond publicly to the report.

A decision on whether to do will be based on the Council's progress in the in developing a financial recovery plan that will demonstrate how the Council can deliver a balanced general fund budget post 2023/24, developing financial capacity and producing good quality updated 2021/22 draft financial statements with supporting working papers.

We expect to certify the completion of the audit upon the completion of our work on the Council's VFM arrangements.

Significant Matters

We encountered significant delays in completing our audit. The financial statements have gone through a series of revisions and the Council struggled to provide underlying evidence to support disclosures. Consequently there were a significant number of adjustments required to the accounts and evidence of control weaknesses in key financial systems and processes. The implementation of a new accounting system for the year 2020/21 is largely the reason for the issues encountered but the Council has also recognised there is a need to assess the size and experience of the finance function.

2. Financial Statements

Overview of the scope of our audit

This Audit Findings Report presents the observations arising from the audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260 and the Code of Audit Practice ('the Code'). Its contents were discussed with management and the Corporate Governance and Standards Committee.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK) and the Code, which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

Audit approach

Our audit approach was based on a thorough understanding of the Council's business and is risk based, and in particular included:

- An evaluation of the Council's internal controls environment, including its IT systems and controls;
- An evaluation of the components of the group based on a measure of materiality considering each as a percentage of the Council's gross revenue expenditure to assess the significance of the component and to determine the planned audit response; and
- Substantive testing on significant transactions and material account balances, including the procedures outlined in this report in relation to the key audit risks.

Conclusion

We have substantially completed our audit of your financial statements and subject to outstanding queries being resolved, we anticipate issuing an unqualified audit opinion following the Corporate Governance and Standards Committee meeting on 27 July 2023.

2. Financial Statements

Agenda item number: 6
Appendix 1



Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law.

Materiality levels remain the same as reported in our audit plan in June 2021.

We detail in the table on the right our determination of materiality for Guildford Borough Council.

	Group Amount (£)	Council Amount (£)	Qualitative factors considered
Materiality for the financial statements	2.52m	2.50m	This is based on 1.9% of your gross revenue expenditure for the year 2020/21, based on your draft accounts. This benchmark was chosen based on our knowledge of District Councils, your reporting framework and how stakeholders use your accounts.
Performance materiality	1.638m	1.625m	This is based on 65% of the materiality benchmark.
Trivial matters	126k	125k	This is based on 5% of (council) materiality and represents the level above which uncorrected omissions or misstatements are reported to those charged with governance. Items below this are deemed to be 'trivial' for this purpose.



2. Financial Statements - Significant risks

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

This section provides commentary on the significant audit risks communicated in the Audit Plan.

Risks identified in our Audit Plan	Risk relates to	Commentary
<p>Management override of controls</p> <p>Under ISA (UK) 240 there is a non rebuttable presumed risk that the risk of management override of controls is present in all entities. You face external scrutiny of your spending and this could potentially place management under undue pressure in terms of how they report performance.</p> <p>We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	Group and Council	<p>We have:</p> <ul style="list-style-type: none"> evaluated the design effectiveness of management controls over journals; analysed the journals listing and determine the criteria for selecting high risk unusual journals; tested unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration; gained an understanding of the accounting estimates and critical judgements applied made by management and considered their reasonableness with regard to corroborative evidence; and evaluated the rationale for any changes in accounting policies, estimates or significant unusual transactions. <p>We have not identified significant findings in this regard however we raised a control recommendation in Appendix A.</p>
<p>The revenue cycle includes fraudulent transactions (rebutted)</p> <p>Under ISA 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p> <p>Having considered the risk factors set out in ISA240 and nature of the revenue streams at Guildford Borough Council, we have determined that the risk of fraud arising from revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> there is little incentive to manipulate revenue recognition opportunities to manipulate revenue recognition are very limited the culture and ethical frameworks of local authorities 	Council	There are no changes to our assessment reported in the audit plan. We do not consider this a significant risk for Guildford Borough Council.

2. Financial Statements - Significant risks

Risks identified in our Audit Plan	Risk relates to	Commentary
<p>Fraud in expenditure recognition Council</p> <p>As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure recognition may be greater than the risk of fraud related to revenue recognition. There is a risk the Council may manipulate expenditure to meet externally set targets and we had regard to this when planning and performing our audit procedures.</p> <p>Management could defer recognition of non-pay expenditure by under-accruing for expenses that have been incurred during the period but which were not paid until after the year-end or not record expenses accurately in order to improve the financial results with the aim of reducing the impact on declining reserves. We have rebutted the risk in relation to other expenditure streams.</p>	Council	<p>We have:</p> <ul style="list-style-type: none"> inspected transactions incurred around the end of the financial year to assess whether they had been included in the correct accounting period; inspected a sample of accruals made at year end for expenditure but not yet invoiced to assess whether the valuation of the accrual was consistent with the value billed after the year; and investigated manual journals posted as part of the year end accounts preparation that reduces expenditure to assess whether there is appropriate supporting evidence for the reduction in expenditure. <p>We have not identified significant findings in this regard however we raised a control recommendation in Appendix A.</p>
<p>Valuation of land and buildings (including investment properties)</p> <p>The group revalues high value fixed assets on an annual basis and the remainder of assets on a rolling five-yearly basis.</p> <p>This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved (£781 million of PPE and £153 million of investment properties in 2019/20) and the sensitivity of this estimate to changes in key assumptions.</p> <p>Additionally, management will need to ensure the carrying value in the Council financial statements is not materially different from the current value or the fair value (for investment properties) at the financial statements date, where a rolling programme is used.</p> <p>We therefore identified valuation of land and buildings and investment properties, particularly revaluations and impairments, as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	Group and Council	<p>We have:</p> <ul style="list-style-type: none"> evaluated management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work; evaluated the competence, capabilities and objectivity of the valuation expert; written to the valuer to confirm the basis on which the valuation was carried out; challenged the information and assumptions used by the valuer to assess completeness and consistency with our understanding, the valuer's report and the assumptions that underpin the valuation; tested revaluations made during the year to see if they had been input correctly into your asset register; and evaluated the assumptions made by management for those assets not revalued during the year and how management has satisfied themselves that these are not materially different to current value at year end. <p>We have not identified significant findings in this regard however we raised a control recommendation in Appendix A.</p>

2. Financial Statements - Significant risks

Risks identified in our Audit Plan	Risk relates to	Commentary
<p data-bbox="114 411 584 435">Valuation of the pension fund net liability</p> <p data-bbox="114 483 831 563">The Authority's pension fund net liability, as reflected in its balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements.</p> <p data-bbox="114 571 853 683">The pension fund net liability is considered a significant estimate due to the size of the numbers involved (£114m in the Authority's balance sheet) and the sensitivity of the estimate to changes in key assumptions.</p> <p data-bbox="114 715 842 914">The methods applied in the calculation of the IAS 19 estimates are routine and commonly applied by all actuarial firms in line with the requirements set out in the Code of practice for local government accounting (the applicable financial reporting framework). We have therefore concluded that there is not a significant risk of material misstatement in the IAS 19 estimate due to the methods and models used in their calculation.</p> <p data-bbox="114 946 864 1026">The source data used by the actuaries to produce the IAS 19 estimates is provided by administering authorities and employers. We do not consider this to be a significant risk as this is easily verifiable.</p> <p data-bbox="114 1058 864 1262">The actuarial assumptions used are the responsibility of the entity but should be set on the advice given by the actuary. A small change in the key assumptions (discount rate, inflation rate, salary increase and life expectancy) can have a significant impact on the estimated IAS 19 liability. We therefore identified valuation of the Council's pension fund net liability as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	Council	<p data-bbox="1122 411 1223 435">We have:</p> <ul data-bbox="1122 451 2119 1034" style="list-style-type: none"> <li data-bbox="1122 451 2119 531">• updated our understanding of the processes and controls put in place by management to ensure that the Council's pension fund net liability is not materially misstated and evaluate the design of the associated controls; <li data-bbox="1122 547 2119 611">• evaluated the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work; <li data-bbox="1122 627 2119 675">• assessed the competence, capabilities and objectivity of the actuary who carried out the Council's pension fund valuation; <li data-bbox="1122 691 2119 738">• assessed the accuracy and completeness of the information provided by the Council to the actuary to estimate the liability; <li data-bbox="1122 754 2119 802">• tested the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary; <li data-bbox="1122 818 2119 898">• undertook procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within the report; and <li data-bbox="1122 914 2119 1034">• obtained assurances from the auditor of Surrey County Council Pension Fund as to the controls surrounding the validity and accuracy of membership data; contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements. <p data-bbox="1122 1050 2119 1106">Our audit work has not identified any issues in respect of valuation of the pension fund net liability.</p>

2. Financial Statements - Significant risks

Risks identified in our Audit Plan	Risk relates to	Commentary
<p>Incomplete or inaccurate financial information transferred to the new general Ledger</p> <p>In July 2020, the Council implemented a new general ledger system. When implementing a new significant accounting system, it is important to ensure that sufficient controls have been designed and operate to ensure the integrity of data. There is also a risk over the completeness and accuracy of the data transfer from the previous ledger system.</p> <p>We therefore identified the completeness and accuracy of the transfer of financial information to the new general ledger system as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	Group and Council	<p>We have:</p> <ul style="list-style-type: none"> Completed an information technology (IT) environment review by our IT audit specialists to document, evaluate and test the IT controls operating within the new general ledger system; and Mapped the transfer of data to ensure accuracy and completeness of the financial information. <p>Our audit work has not identified any issues however we raised recommendations on Appendix A.</p>
<p>Accounting for grant revenues and expenditure correctly</p> <p>The Council (similar to all other local authorities) has been the recipient of significant increased grant revenues in 2020/21 relating to Covid-19. Some of these grants relate to the Council, and others are grants which should be passed onto other entities.</p> <p>The Council will need to consider for each type of grant whether it is acting as agent or principal, and depending on that decision how the grant income and amounts paid out should be accounted for.</p>	Council	<p>We have:</p> <ul style="list-style-type: none"> Discussed with management and understand the different types of material grants received during 2020/21 and what the conditions are in the grant agreements; Obtained understanding on the conditions for payment out to other entities; Obtained understanding on whether the Council should be acting as agent or principal for accounting purposes; and Tested material grant revenues to see whether the Council has accounted for these correctly. <p>Our audit work has not identified any issues however we raised recommendations on Appendix A.</p>

2. Financial Statements – key judgements and estimates

This section provides commentary on key estimates and judgements in line with the enhanced requirements for auditors.

Significant judgement or estimate	Summary of management's approach	Audit Comments	Assessment
<p>Land and Building valuations – £796m</p>	<p>You revalue your land and buildings on a five-yearly basis. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved (£781 million of property, plant and equipment and £153m of investment properties in 2019/20) and the sensitivity of this estimate to changes in key assumptions. Additionally, management will need to ensure the carrying value in the financial statements is not materially different from the current value at the financial statements date, where a rolling programme is used. We therefore identified valuation of land and buildings as a significant risk, which was one of the most significant assessed risks of material misstatement, and a key audit matter.</p>	<p>The Council has engaged DVS Property Specialists for the valuation of land and buildings and investment properties. We have considered and completed the following in the course of our audit:</p> <ul style="list-style-type: none"> • evaluate management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work; • evaluate the competence, capabilities and objectivity of the valuation expert; • write to the valuer to confirm the basis on which the valuation was carried out; • challenge the information and assumptions used by the valuer to assess completeness and consistency with our understanding, the valuer's report and the assumptions that underpin the valuation; • test revaluations made during the year to see if they had been input correctly into your asset register; and • evaluate the assumptions made by management for those assets not revalued during the year and how management has satisfied themselves that these are not materially different to current value at year end. 	

Assessment

- [Purple] We disagree with the estimation process or judgements that underpin the estimate and consider the estimate to be potentially materially misstated
- [Blue] We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider optimistic
- [Grey] We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider cautious
- [Light Purple] We consider management's process is appropriate and key assumptions are neither optimistic or cautious

2. Financial Statements - key judgements and estimates

Significant judgement or estimate	Summary of management's approach	Audit Comments	Assessment																								
Net pension liability – £143m	<p>Your pension fund net liability, as reflected in its balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements.</p> <p>The pension fund net liability is considered a significant estimate due to the size of the numbers involved (£114m in your balance sheet in 2019/20) and the sensitivity of the estimate to changes in key assumptions.</p> <p>We therefore identified valuation of your pension fund net liability as a significant risk, which was one of the most significant assessed risks of material misstatement, and a key audit matter.</p>	<p>We have considered and completed the following in the course of our testing:</p> <ul style="list-style-type: none"> Assessment of management's expert Assessment of actuary's approach taken, based on the full valuation as at 31 March 2020 to confirm reasonableness of approach. Use of PwC as auditors expert to assess actuary and assumptions made by actuary – use table to compare with Actuary assumptions 																									
		<table border="1"> <thead> <tr> <th>Assumption</th> <th>Actuary Value</th> <th>PwC range</th> <th>Assessment</th> </tr> </thead> <tbody> <tr> <td>Discount rate</td> <td>2.00%</td> <td>1.95%-2.05%</td> <td>●</td> </tr> <tr> <td>Pension increase rate</td> <td>2.85%</td> <td>2.80-2.85%</td> <td>●</td> </tr> <tr> <td>Salary growth</td> <td>3.75%</td> <td>2.80%-3.80%</td> <td>●</td> </tr> <tr> <td>Life expectancy – Males currently aged 45 / 65</td> <td>22.3</td> <td>21.2 -23.2</td> <td>●</td> </tr> <tr> <td>Life expectancy – Females currently aged 45 / 65</td> <td>24.7</td> <td>24.7 -26.1</td> <td>●</td> </tr> </tbody> </table>	Assumption	Actuary Value	PwC range	Assessment	Discount rate	2.00%	1.95%-2.05%	●	Pension increase rate	2.85%	2.80-2.85%	●	Salary growth	3.75%	2.80%-3.80%	●	Life expectancy – Males currently aged 45 / 65	22.3	21.2 -23.2	●	Life expectancy – Females currently aged 45 / 65	24.7	24.7 -26.1	●	
Assumption	Actuary Value	PwC range	Assessment																								
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		<ul style="list-style-type: none"> Completeness and accuracy of the underlying information used to determine the estimate Impact of any changes to valuation method Reasonableness of the Council's share of LPS pension assets Reasonableness of increase/decrease in estimate Adequacy of disclosure of estimate in the financial statements. 																									

Assessment

- **Dark Purple** We disagree with the estimation process or judgements that underpin the estimate and consider the estimate to be potentially materially misstated
- **Blue** We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider optimistic
- **Grey** We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider cautious
- **Light Purple** We consider management's process is appropriate and key assumptions are neither optimistic or cautious

2. Financial Statements - key judgements and estimates

Significant judgement or estimate	Summary of management's approach	Audit Comments	Assessment
Land and Buildings – Council Housing - £525.2m	The Council owns 5,231 dwellings and is required to revalue these properties in accordance with DCLG's Stock Valuation for Resource Accounting guidance. The guidance requires the use of beacon methodology, in which a detailed valuation of representative property types is then applied to similar properties. The Council has engaged Bruton Knowles to complete the valuation of these properties. The year end valuation of Council Housing was £525.2m, a net increase of £15.1m from 2029/20 (£510.1m).	<p>We have no concerns over the competence, capabilities and objectivity of the valuation expert used by the Council.</p> <p>There have been no changes to the valuation method this year.</p> <p>We have considered the movements in the valuations of individual assets and their consistency with indices provided by Gerald Eve as our auditor's expert.</p> <p>We have considered the completeness and accuracy of the underlying information used to determine the estimate, and have not noted significant findings.</p>	
Provisions for NNDR appeals - £4.6m	The Council is responsible for repaying a proportion of successful rateable value appeals. Management uses internal expertise to calculate the level of provision required. This calculation is based upon the latest information about outstanding rates appeals provided by the Valuation Office Agency (VOA) and previous success rates.	<p>We have not noted any issues with the completeness and accuracy of the underlying information used to determine the estimate.</p> <p>We have considered the approach taken by the Council to determine the provision, and it is in line with that used by other bodies in the sector.</p> <p>Disclosure of the estimate in the financial statements is considered adequate.</p>	

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Assessment

- **Dark Purple** We disagree with the estimation process or judgements that underpin the estimate and consider the estimate to be potentially materially misstated
- **Blue** We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider optimistic
- **Grey** We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider cautious
- **Light Purple** We consider management's process is appropriate and key assumptions are neither optimistic or cautious

2. Financial Statements - other communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards and the Code to communicate to those charged with governance.

Issue	Commentary
Matters in relation to fraud	We have not been made aware of any other incidents in the period and no other issues have been identified during the course of our audit procedures.
Matters in relation to related parties	We are not aware of any related parties or related party transactions which have not been disclosed.
Matters in relation to laws and regulations	You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work.
Written representations	A letter of representation will be requested from the Council.
Confirmation requests from third parties	We obtained direct confirmations from the PWLB loans and requested from management permission to send confirmation requests to various financial institutions and other local authorities for bank and investment balances. This permission was granted, and the requests sent. We have received direct confirmations requested other confirmation of investments from fund managers.
Accounting practices	We have evaluated the appropriateness of the Council's accounting policies, accounting estimates and financial statement disclosures. Our review found no material omissions in the financial statements.
Audit evidence and explanations/ significant difficulties	All information and explanations requested from management was provided.

2. Financial Statements - other communication requirements



Our responsibility

As auditors, we are required to “obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern” (ISA (UK) 570).

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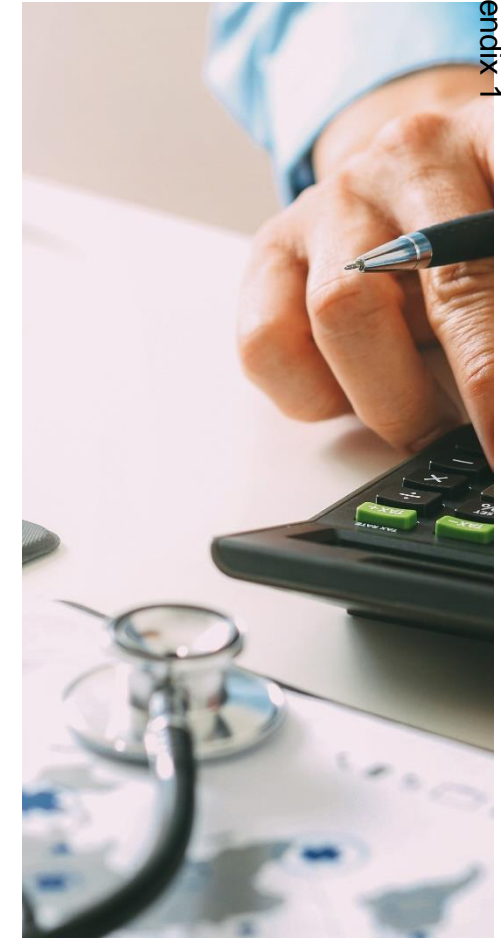
Issue	Commentary
Going concern	<p>In performing our work on going concern, we have had reference to Statement of Recommended Practice – Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom (Revised 2020). The Financial Reporting Council recognises that for particular sectors, it may be necessary to clarify how auditing standards are applied to an entity in a manner that is relevant and provides useful information to the users of financial statements in that sector. Practice Note 10 provides that clarification for audits of public sector bodies.</p> <p>Practice Note 10 sets out the following key principles for the consideration of going concern for public sector entities:</p> <ul style="list-style-type: none"> the use of the going concern basis of accounting is not a matter of significant focus of the auditor’s time and resources because the applicable financial reporting frameworks envisage that the going concern basis for accounting will apply where the entity’s services will continue to be delivered by the public sector. In such cases, a material uncertainty related to going concern is unlikely to exist, and so a straightforward and standardised approach for the consideration of going concern will often be appropriate for public sector entities for many public sector entities, the financial sustainability of the reporting entity and the services it provides is more likely to be of significant public interest than the application of the going concern basis of accounting. Our consideration of the Council's financial sustainability is addressed by our value for money work, which is covered elsewhere in this report. <p>Practice Note 10 states that if the financial reporting framework provides for the adoption of the going concern basis of accounting on the basis of the anticipated continuation of the provision of a service in the future, the auditor applies the continued provision of service approach set out in Practice Note 10. The financial reporting framework adopted by the Council meets this criteria, and so we have applied the continued provision of service approach. In doing so, we have considered and evaluated:</p> <ul style="list-style-type: none"> the nature of the Council and the environment in which it operates the Council's financial reporting framework the Council's system of internal control for identifying events or conditions relevant to going concern management’s going concern assessment. <p>On the basis of this work, we have obtained sufficient appropriate audit evidence to enable us to conclude that:</p> <ul style="list-style-type: none"> a material uncertainty related to going concern has not been identified management’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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2. Financial Statements - other responsibilities under the Code

Issue	Commentary
Other information	<p>We are required to give an opinion on whether the other information published together with the audited financial statements including the Annual Governance Statement and Narrative Report, is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p> <p>No inconsistencies have been identified. We plan to issue an unmodified opinion in this respect.</p>
Matters on which we report by exception	<p>We are required to report on a number of matters by exception in a number of areas:</p> <ul style="list-style-type: none"> • if the Annual Governance Statement does not comply with disclosure requirements set out in CIPFA/SOLACE guidance or is misleading or inconsistent with the information of which we are aware from our audit, • if we have applied any of our statutory powers or duties. • where we are not satisfied in respect of arrangements to secure value for money and have reported [a] significant weakness/es. <p>We have nothing to report on these matters.</p>
Specified procedures for Whole of Government Accounts	<p>We are required to carry out specified procedures (on behalf of the NAO) on the Whole of Government Accounts (WGA) consolidation pack under WGA group audit instructions.</p> <p>Note that work is not required as the Council does not exceed the threshold.</p>
Certification of the closure of the audit	<p>We intend to delay the certification of the closure of the 2020/21 audit of Guildford Borough Council in the audit report due to incomplete VFM work.</p>

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3. Value for Money arrangements

Approach to Value for Money work for 2020/21

The National Audit Office issued its guidance for auditors in April 2020. The Code requires auditors to consider whether the body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

When reporting on these arrangements, the Code requires auditors to structure their commentary on arrangements under the three specified reporting criteria.

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Improving economy, efficiency and effectiveness

Arrangements for improving the way the body delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Financial Sustainability

Arrangements for ensuring the body can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years)



Governance

Arrangements for ensuring that the body makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the body makes decisions based on appropriate information

Potential types of recommendations

A range of different recommendations could be made following the completion of work on the body's arrangements to secure economy, efficiency and effectiveness in its use of resources, which are as follows:



Statutory recommendation

Written recommendations to the body under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the body to discuss and respond publicly to the report.



Key recommendation

The Code of Audit Practice requires that where auditors identify significant weaknesses in arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the body. We have defined these recommendations as 'key recommendations'.



Improvement recommendation

These recommendations, if implemented should improve the arrangements in place at the body, but are not made as a result of identifying significant weaknesses in the body's arrangements

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3. Value for Money arrangements

Approach to Value for Money work for 2020/21

Due to the delays in completing the 2020/21 financial statements audit and the impact that has on our assessment of value for money arrangements we have agreed with management to report the findings for 2020/21 and 2021/22 in a joint report. This report will be finalised imminently, and we expect to report there are significant weaknesses in arrangements relating to capacity within the finance team and ability to prepare financial statements. As explained below, the result of failures to produce accurate financial information since the implementation of the new General Ledger from 1 April 2020 has impacted on the Council's financial sustainability. Subsequent decision making relating to financial budgets and plans have been predicated on the accuracy of 2020/21 financial information particularly in relation to reserves.

Our audit of the Council's 2020/21 financial statements, as communicated in this report, has identified material adjustments to the accounts including to the primarily statements and identified a number of control recommendations (refer to Appendix A). The difficulties the finance team has encountered in producing account draft accounts, providing working papers that reconcile to the accounts and underlying financial records is indicative of weaknesses in arrangements in the preparation of the financial statements and capacity of the finance team. We therefore propose issuing key recommendations in relation to these two areas.

Our 2019/20 Audit Findings Report raised a recommendation regarding management's capacity for financial statement closedown and response to audit queries. The implementation of a new General Ledger in 2020/21 has clearly exacerbated issues because the quality of the 2020/21 draft financial statements and supporting evidence to support the audit has significantly deteriorated from the prior year.

The Council's new Joint Management Team (JMT) commissioned a review of the Council's financial position and arrangements and reported this to the Executive meeting on 20 July 2023. This review has identified a number of weaknesses including:

- The implementation of the new systems was not fully mature by the end of the project in 2021 and, as acknowledged to the Overview and Scrutiny Committee on 18 January 2022, the changes in business processes were not fully "embedded";
- Finance team capacity was depleted in favour of services using IT systems via self-service, including financial management and outturn forecasting. Additionally, the finance team is lacking certain capabilities including management accountancy or commercial finance expertise.
- There have been deficiencies relating to with treasury management and balance sheet management resulting in reconciliations not being routinely performed that has meant financial write-downs have been required.

The consequence of the above problems in producing financial information and poor financial governance has implications on the Council's financial sustainability going forward. The 2020/21 audit has identified a material error in relation the Council's useable reserves balance and in combination with other net adjustments means the Council's £32m cash backed reserves position as at 31 March 2023 as reported in February 2023 is actually £16m and thus less than the projected MTFP deficit of £18.3m. The draft 2021/22 financial statements published by the Council will therefore require significant re-working to reflect the adjustments identified during the 2020/21 audit. There are therefore risks there are further errors in the financial information that has been used to support subsequent budget decisions and actions.

We note the Council's implementation of a financial recovery plan and proposal for a revised MTFP for approval in October 2023. The progress of developing a financial recovery plan that will demonstrate how the Council can deliver a balanced general fund budget post 2023/24, developing financial capacity and producing good quality updated 2021/22 draft financial statements with supporting working papers will determine whether it is appropriate for us to our powers to make written recommendations under section 24 of the Local Audit and Accountability Act.

4. Independence and ethics

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standard and confirm that we, as a firm, and each covered person, are independent and are able to express an objective opinion on the financial statements

We confirm that we have implemented policies and procedures to meet the requirements of the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in May 2020 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

Details of fees charged are detailed in Appendix D

Transparency

Grant Thornton publishes an annual Transparency Report, which sets out details of the action we have taken over the past year to improve audit quality as well as the results of internal and external quality inspections. For more details see [Transparency report 2020 \(grantthornton.co.uk\)](https://www.grantthornton.co.uk/transparency-report-2020)

4. Independence and ethics

Audit and non-audit services

For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Council. The following non-audit services were identified which were charged from the beginning of the financial year to July 2023, as well as the threats to our independence and safeguards that have been applied to mitigate these threats.

Service	Fees £	Threats identified	Safeguards
Audit related			
Certification of Housing capital receipts grant	7,500	Self-Interest (because this is a recurring fee) Self review (because GT provides audit services)	The level of this recurring fee taken on its own is not considered a significant threat to independence as the fee for this work is £7,500 in comparison to the total fee for the audit and in particular relative to Grant Thornton UK LLP's turnover overall. Further, it is a fixed fee and there is no contingent element to it. These factors all mitigate the perceived self-interest threat to an acceptable level. To mitigate against the self review threat, the timing of certification work is done after the audit has completed, materiality of the amounts involved to our opinion and unlikelihood of material errors arising and the Council has informed management who will decide whether to amend returns for our findings and agree the accuracy of our reports on grants.
Certification of Housing Benefit Claim	37,000	Self-Interest (because this is a recurring fee) Self review (because GT provides audit services)	The level of this recurring fee taken on its own is not considered a significant threat to independence as the fee for this work is £37,000 in comparison to the total fee for the audit and in particular relative to Grant Thornton UK LLP's turnover overall. Further, it is a fixed fee and there is no contingent element to it. These factors all mitigate the perceived self-interest threat to an acceptable level. To mitigate against the self review threat, the timing of certification work is done after the audit has completed, materiality of the amounts involved to our opinion and unlikelihood of material errors arising and the Council has informed management who will decide whether to amend returns for our findings and agree the accuracy of our reports on grants.

These services are consistent with the group's policy on the allotment of non-audit work to your auditors. All services have been approved by the Corporate Governance and Standards Committee. None of the services provided are subject to contingent fees.

Appendices

A. Action plan – Audit of Financial Statements

We have identified 24 of recommendations for the group as a result of issues identified during the course of our audit. We have agreed our recommendations with management and we will report on progress on these recommendations during the course of the 2021/22 audit. The matters reported here are limited to those deficiencies that we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with auditing standards.

IT recommendations

Assessment	Issue and risk	Recommendations
<div style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 62</div>	<p>Data migration - inadequate system implementation documentation</p> <p>On assessing the system implementation project we observed that the following key project information was not documented:</p> <ol style="list-style-type: none"> 1. Remediation of Identified Testing Exceptions - Although errors or exceptions identified during user acceptance testing were logged and documented, there is no evidence of the actions taken to resolve identified exceptions. 2. Data Validation Assessment - No evidence could be obtained to ascertain that a post-implementation assessment over data validation and system functionality was undertaken and formally approved by management. This process was not documented to ensure a clear paper trail was in place to confirm that the system works to design, and that all data output was complete and accurate. 3. System Roll Back Plan - No roll back or failover procedures were documented for the Business World implementation project. <p>There is a risk that functionality including basic operations, automated controls and interfaces may not operate to design. This may then impact on the consistency of operation and / or integrity of data held within the application.</p> <p>If no checks are performed by senior stakeholders over the completeness and accuracy of migrated data, data migrated into the new application may contain errors and may not be complete and accurate. This may not be identified in a timely manner and impact on the integrity of reporting and the financial statements.</p> <p>The transition to live usage of the new system may not be appropriately managed leading to higher risk of system failure, data corruption and user error.</p>	<p>We recommend that Management ensure that the Council’s approach for large scale IT projects be updated so that key documents and conclusions supporting the implementation of new systems are retained.</p> <p>In particular, the following documents should be part of a successful project:</p> <ul style="list-style-type: none"> • Central issues log to record the defects from testing procedures and their resolution • Test closure report to summarise and conclude on the outcome of the testing phase • Formal evidence of sign offs for validation checks • A failover/rollback plan <p>Management response</p> <p>Guildford accept your recommendations for future implementations and upgrades.</p>

Controls

- High – Significant effect on financial statements
- Medium – Limited Effect on financial statements
- Low – Best practice

A. Action plan – Audit of Financial Statements

Assessment Issue and risk

ITGC - inadequate user access management procedures

During our review, we noted the account of a Financial Specialist whose employment was terminated on 31/12/2020 was still Active within the Business World application.

Additionally, the Resources Case Management team was notified of the Finance Specialist's termination on 04/01/2021 by a Resource Caseworker. The ticket to disable the leaver's Active Directory account was created on 26/01/2021, 3 weeks after the leaver's termination date.

There is a risk that enabled, no-longer-needed user accounts may be misused by valid system users to circumvent internal controls. Terminated employees may continue to access information assets through enabled, no-longer-needed user accounts leading to processing of unauthorised transactions.

Recommendations

We recommend that Management should consider the following:

- Leavers notifications to ICT service desk should be done prior to employees last working day e.g. a week
- System access for leavers should be disabled on a timely basis, e.g. within 48 hours from the date of last employment and turnaround time should be specified on the leaver ticket request.

Management response

Account still active – PARTIALLY DISAGREE

1. The Business World front-end uses single-sign-on with our Microsoft Active Directory accounts. Once the Microsoft Active Directory account is disabled, it is no longer possible for the user to log into the application front-end, even if their account is marked "Active" in Business World.

2. Menu options and data access within Business World are based on employment details. If a user was able to get into Business World whilst having no active employment, they wouldn't have access to any data, or menu options.

3. From June 2021, ICT has been receiving notifications from Business World (as the HR system) notifying of employees with no active employment. These Business World accounts are then manually disabled.

3 weeks to disable leaver account – AGREE

The leavers process is for a leavers form to be completed in the Case Management System by their Line Manager. Resource Case Services aims to disable such accounts within 2 working days. It appears that a leavers form was not raised at the time for this sample individual.

Resources Case Services perform regular checks of leavers they have handled in supporting services. The sample leaver highlighted was identified by these checks, and disabled as shown in the finding. Resources Case Services also disable user accounts when hardware is handed in.

The leavers form will be moving from the Case Management System to Business World. This will place the form in a more logical location, minimizing the risk of manager's directly notifying services of leavers, rather than using the form.

In addition, earlier in 2022 ICT begun manually running an interface between Business World and Active Directory. Once implemented this will provide an extra control, expiring leaver Active Directory user accounts for individuals with an HR record that shows their employment has ended.

A. Action plan – Audit of Financial Statements

Assessment	Issue and risk	Recommendations
	<p>ITGC - weak password controls</p> <p>During our review, we inspected the Active Directory Password Policy and observed the following configuration weakness:</p> <p>The minimum password age has been set to 0 as opposed to the best practice of setting it to 1. Combining immediate password changes with password history allows someone to change a password repeatedly until the password history requirement is met and re-establish the original password again.</p> <p>There is a risk that setting the minimum password age to 0 allows immediate password changes. Even though the Enforce password history policy setting has been configured to 24 passwords remembered on the Active Directory, because the Minimum password age policy setting has been set to 0, users can change their password 24 times in a few minutes and reuse their original password. If an attacker is targeting a specific individual user account, with knowledge of data about that user, reuse of old passwords can cause a security breach.</p>	<p>Active Directory password configurations should be set as per the following leading practice: Minimum password age – 1</p> <p>Management response</p> <p>Minimum password age should be set to 1 – AGREE – This has already been highlighted in a separate security review. The risk would require a user to change their password 25 times to be re-use a password. As the NCSC currently recommends that passwords are not changed frequently, we have not updated this setting to-date but intend to do so.</p>
	<p>ITGC - lack of review of privileged user activity logs</p> <p>We noted the use of an Active Directory Privileged account with a generic ID whose password is accessible to all members of the IT Infrastructure Team. We noted that the activity of privileged accounts such as this account is logged though the use of the Councils auditing tool, however, no review is performed of these logs.</p> <p>Without formal, proactive, and routine reviews of privileged user activity and security event logs, inappropriate and anomalous user activity (activity violating information security policies) may not be identified and/or addressed in a timely manner.</p>	<p>We recommend that privileged user activity especially of generic accounts and security event logs be proactively, formally reviewed for the purpose of detecting inappropriate or anomalous activity.</p> <p>These reviews should ideally be performed by one or more knowledgeable individuals who are independent of the day-to-day administration of the network.</p> <p>Management response</p> <p>No review is performed of privileged account logs – PARTIALLY DISAGREE – A morning set of checks is performed by the ICT Infrastructure team which includes a review of AlienVault which is our centralised log system. These checks are not specific to the one account highlighted. AlienVault is designed to make it easy to highlight suspicious log entries to administrators for investigation.</p> <p>In terms of the recommendation for the review to be conducted by an independent person, this was in-place until 30 April 2021. The Information Assurance Officer sits outside the ICT Specialist team, and does not have access to the highlighted account but independently monitors logs in AlienVault for suspicious activity. The post has been vacant since 1st May 2021, while options of combined roles with Waverley are considered. Once the post is filled, these independent checks are expected to resume.</p>

A. Action plan – Audit of Financial Statements

Assessment	Issue and risk	Recommendations
	<p>ITGC - no change management policy</p> <p>During our review, we noted the Council does not have a documented and approved Change Management Policy in place that governs the process to be followed for changes made to the Business World application.</p> <p>Without a documented change policy and procedures for managing changes to systems, it is likely that different developers will carry out changes inconsistently. This tends to increase the likelihood of errors arising from the change process.</p>	<p>Management should document and approve a comprehensive Change Management policy that provides guidance and process to follow for managing Business World application changes and maintenance.</p> <p>Management response</p> <p>No documented and approved Change Management Policy for Business World – AGREE – There is a documented and approved Policy for ICT systems as a whole, but the Business World project has not been required to adhere to this whilst project governance is in-place. We will review the Change Management arrangements for Business World.</p>

A. Action plan – Audit of Financial Statements

Accounts recommendations

Assessment	Issue and risk	Recommendations
	<p>Financial statements preparation – less precision of management review</p> <p>Our audit of the financial statements revealed a number of fundamental errors on the financial statements such as:</p> <ul style="list-style-type: none"> • Errors in the brought forward comparatives (not matching with PY audited balances). E.g. (cash flow, MIRS, Capital disclosures, HRA); • A number of adjustments on the statement of accounts noted since publication as evidenced by a number of version of accounts before the final draft accounts were produced; • Typographical errors within the financial statements; • Inconsistency on Notes to the accounts, supporting work paper, and general ledger data/breakdown. • Lack of work paper for critical judgement and accounting estimates (e.g. valuation and covid grant) • Lack of supporting work papers for all notes to the accounts (include reference to the guidance) including evidence and details of adjustments (e.g. adjustments made to both income and expenditures). We noted a number of manual adjustments within the work papers that cannot easily be followed. <p>For example, Initially the amount for "Other Service Exp" under "Expenditure And Income Analysed By Nature" stood at £78m. In the revised draft accounts shared with us in March 2023, the corresponding figure changed to £50m. The reduction of £28m cannot be easily reconciled with the adjustments made to the accounts since the publication. A revised version of account was provided showing a revised balance of £69m but on the latest draft accounts provided in April 2023, this has again gone down to £61m. The constant changing of the amounts in SOA caused delay in completing the audit.</p>	<p>We suggest management to revisit their financial reporting process and ensure that certain level of management oversight and/or secondary reviews are implemented to ensure errors, minor or major, are remediated before these are circulated to the Corporate Governance and Standards committee for approval and before the draft is published on the Council’s website. Evidence of review should also be put on file to ensure accountability.</p> <p>Management response</p> <p>The Expenditure and Income Analysis note in the draft accounts was inconsistent with other notes in the draft accounts and it was also inconsistent with the financial ledger. This whole note had to be re-worked from first principles and it is unfortunate that GT relied on an erroneous note for their testing. The final note had lower expenditure and lower income so if anything GT’s sample sizes would have been higher than necessary.</p>

A. Action plan – Audit of Financial Statements

Assessment Issue and risk

Journals – self approved journals and lack of reconciliation of data migrating to the new system

In 2020-21, the Council changed accounting software from eFinancial to Business world. The data up to June 2020 from eFinancial were transferred to Business world via journals. In our testing, journals for data migration were selected. A reconciliation of data between the old system and new system was obtained from the Council however this was prepared during the audit in March 2023 upon auditors' request. A high level reconciliation was undertaken by the audit team using the translation tables provided by the Council however, there were significant variances noted. The Council investigated the issue and confirmed the translation table provided was incomplete and there were account 21 general ledger codes and cost centres mappings which were not documented.

During the samples testing, we found transactions which appear to be auto approved. For these auto approval journals, we noted that in absence of second approver the system automatically assigns the deputy finance manager as proxy approver. Consequently some transactions were prepared and approved by the same individual.

HRA Revaluations – challenging the valuation method

Based on our work on HRA revaluations, we noted the gross value of shared equity assets is multiplied by the equity percentage held by the Council, which we consider appropriate. However, as per Section 9.9 of the DCLG Stock Valuation for Resource Accounting Guidance for Valuer - 2016, "Where the authority own a share of the interest in the property, the value of the equity share must be accounted for in the portfolio valuation. The approach is to value the property based on the beacon value assumptions and calculate the appropriate equity share. This share should then be adjusted to reflect the occupation at less than market rents by adopting the regional adjustment factor." As a result, we expect that the EUV-SH for the such asset be accounted for as follows: Gross Value x Equity percentage held by the Council x Regional Adjustment Factor (which in this case is 33%). We have noted that for such assets, there has been no consideration made on the regional adjustment factor when calculating the EUV-SH.

Recommendations

Any data migrated or transferred internally within the system should be supported with reconciliation to ensure completeness of data transferred. This should be completed on a timely manner.

Management should consider reviewing transactions that are self-approved. If the system is not capable of setting a parameter to ensure segregation of duties, these self-approved journals should be extracted from their system and should be reviewed by authorised individual/s and review should be evidenced.

Management Response

Noted. Guildford will implement these suggested controls and processes for any future migration

The Council should perform procedures to ensure that the valuations made by the external valuer are appropriate and are in line with the guidance. Such procedures include review of the work and challenge meetings with the valuer.

Management response

We will discuss this with the valuer for 23/24 valuations. (They confirmed they had followed the same practice as our previous valuer so the best thing is for us to review together when we start the 23/24 process).

A. Action plan – Audit of Financial Statements

Assessment	Issue and risk	Recommendations
Page 68	<p>Debtors - lack of subsidiary ledgers and issues on record keeping</p> <p>During our audit, we found that the subsidiary ledgers that are meant to support the breakdown of debtors are not kept for all debtor account codes. We were instead provided a transaction listing that matches with the balance sheet, but this includes a number of opening balance adjustments with no available breakdown. Consequently, the Council had to undertake a significant exercise of completing to allow us to select samples for testing.</p> <p>In addition, we noted that the Council had to make multiple adjustments to their accounts, and the balances in these debtors codes were constantly changing throughout our testing.</p> <p>Our testing also revealed the following deficiencies in the accounting for debtors as follows:</p> <ul style="list-style-type: none"> ▪ Subledger opening balances - when requesting listings to sample from, the Council was only able to provide the entire opening balance as a single entry. This means we could not examine debtors raised in previous years to test whether they are still appropriately recorded. ▪ Subledgers not cleansed properly - the Council was only able to produce listings with all in year transactions (which contra out), this made it difficult to test the residual balance making up the debtors figure. ▪ Adjustments to debtor balance – we noted a number of adjustments on debtor balances. This could have been prevented if a separate monitoring of material debtor balances were in place. 	<p>We recommend the Council improves its approach to managing debtor information. This would include record keeping of corresponding subsidiary ledgers that would support the breakdown of outstanding debtor balances. The minimum information required would be name of organisation, invoice details (if any), ageing, and if possible, how it is considered as part of the of bad debts provisioning. If the system is not capable of creating subsidiary ledgers, this may need to be monitored manually on a separate spreadsheet. This will help the Council monitor long outstanding receivables and can also support the assessment of the reasonableness of bad debts provisions.</p> <p>Further, we recommend that these subsidiary ledgers are kept up to date and reviewed regularly.</p> <p>Management Response</p> <p>Guildford accept that they need to have a balance sheet reconciliation document for each of the cost centres making up short term creditors with opening balances , movements and closing balances backed up by evidence e.g. VAT return</p>

A. Action plan – Audit of Financial Statements

Assessment	Issue and risk	Recommendations
Page 69	<p>Creditors - lack of subsidiary ledgers and issues on record keeping</p> <p>Our testing identified the following deficiencies in the accounting for creditors:</p> <ul style="list-style-type: none"> ▪ Subledger opening balances - when requesting listings to sample from, the finance team could only provide the entire opening balance as a single entry. This means we could not examine creditors raised in previous years to test whether they are still appropriately recorded. ▪ Subledgers not cleansed properly - the Council was only able to produce listings with all in year transactions (which contra out), this made it difficult to test the residual balance making up the creditors figure. ▪ The Council did perform a review of the annual holiday accrual or Bid Agency codes for 2020/21. ▪ We were unable to test Unidentified Receipts Suspense as individual line items cannot be corroborated to supporting evidence. GT considered this in the overall conclusion on creditors and audit misstatements reported in Appendix C. 	<p>We recommend the Council improves its approach to managing creditor information. This would include record keeping of corresponding subsidiary ledgers that would support the breakdown of outstanding creditor balances. If the system is not capable of creating subsidiary ledgers, this may need to be monitored manually on a separate spreadsheet. This will help the Council monitor long outstanding payables. Any long outstanding payables should be assessed and well understood as to what is causing delay in payment. Further, we recommend that these subsidiary ledgers are kept up to date and reviewed regularly.</p> <p>Management Response</p> <p>Guildford accept that they need to have a balance sheet reconciliation document for each of the cost centres making up short term creditors with opening balances , movements and closing balances backed up by evidence e.g. VAT return</p>

A. Action plan – Audit of Financial Statements

Assessment	Issue and risk	Recommendations
Page 70	<p>Infrastructure assets – outdated accounting policy</p> <p>Depreciation expense - we note that the Council used 50 years in calculating depreciation expense for all items on their infrastructure assets. Were componentisation to be applied the depreciation expense would be higher and the carrying value would be lower.</p> <p>In January 2023, CIPFA issued "Bulletin 12 - Accounting for Infrastructure Assets - Temporary Solution" which includes a section on helping authorities regarding the estimations which need to be made. This includes practical examples and range of reasonable useful lives and consideration of disaggregation that might be required as determined by individuals with relevant experience and expertise. The methodologies set out in the Bulletin 12 also presents illustrations of how weighted averages can be used in calculating depreciation expense. Authorities however may be able to devise alternative approaches that will satisfy Code requirements for local conditions and their own circumstances and must use an approach which best reflects the consumption of economic benefits or service potential for its local circumstances.</p> <p>The Council has not componentized any infrastructure assets.</p>	<p>The Council's accounting policy should clearly set out the approach in determining the appropriateness of useful lives used and methodology in accounting for future disposal or replacement documented and approved. The accounting policy should include commentary on the statutory prescriptions on Bulletin 12, how this was incorporated in the accounting treatment, in estimating appropriateness of useful lives used and in assessing any indicators of impairment of both infrastructures assets in use and those that remain in progress as at year end.</p> <p>Management response</p> <p>Noted and we will be reviewing accounting policies in this area.</p>
	<p>Accruals - design of process</p> <p>As part of our substantive testing we found five samples recorded in the wrong period. Refer to Appendix C for the extrapolation of differences across the remaining population. Although we noted the resulting difference is immaterial, a more robust method of accruals needs to be implemented to ensure this type of error does not occur in future years.</p> <p>The process should include consistent and appropriate communication with the procurement team to identify expenditures where invoices or any corresponding evidence to support occurrence expenditures have not been received and therefore have not gone through the accounts payable control ledgers.</p> <p>We have separately raised issue on holiday accruals not recalculated for 2020/21 (see "Creditors - Lack of subsidiary ledgers and issues on record keeping").</p>	<p>Non-accrual of expenses in the correct period could lead to an understatement of both expenses and accruals, and overstatement of net deficit/surplus position. Management should revisit their accrual process to ensure appropriate controls are in place to capture all expenditure incurred during the year. The accruals should be supported by a working paper that can be recalculated with inputs and assumptions clearly outlined.</p> <p>Management response</p> <p>Guildford's year end process needs to be more transparent and consistent. Either accountants are going to look at the invoices processed in the first 6 weeks of the new year and accrue any relating to the old year. Or they will rely on the budget managers and BW system so that any invoices that are goods received will be accrued and any other type of accrual will need a form to be completed by the budget managers and then centrally reviewed. Also they need to provide training on year end for the whole authority.</p>

A. Action plan – Audit of Financial Statements

Assessment	Issue and risk	Recommendations
	<p>PPE Disposals – lack of assessment of properties held under right-to-buy (RTB) arrangements</p> <p>The Code requires an authority to have a continuous process of assessing when sale of properties held under RTB become highly probable. If these assets met all criteria to be classified as assets held for sale, then the fair value of the assets being disposed of should be reclassified to assets held for sale measured at discounted value. We understand the Council did not carry out this assessment in 2020/21.</p>	<p>Assessment should be completed at least annually to ensure appropriate measurement basis are applied to properties and correct presentation made on the accounts. This can be achieved through involvement of individuals dealing with sale of properties under RTB and reasonable estimate done through historical experience or through use of hindsight.</p> <p>Management response</p> <p>We routinely get information as to what properties are in the RTB process, we just haven't changed these in the past to AHFS – we will review the list going forward within the first 6 weeks of the financial year and make adjustments accordingly only to those that have sold in that period.</p>
Page 71	<p>Payroll reconciliation – missing payroll reconciliation</p> <p>The Council was only able to provide a detailed payroll reconciliation for months 4-12. No such reconciliation was performed in the first three months of the year.</p> <p>This information is fundamental record-keeping to ensure what's being transferred from the payroll system to the GL is properly supported and accounted for appropriately.</p>	<p>Payroll reconciliation should be completed as a fundamental reporting requirement within the Council.</p> <p>Management response</p> <p>Noted and we accept the recommendations. We will review processes and controls in this area to avoid these issues moving forward.</p>
	<p>PPE and Investment Properties – reconciliations</p> <p>Our testing of PPE and Investment Properties found a number of reconciliation issues between the fixed asset register (FAR) and the general ledger (GL). Going forward, the Council should implement a regular control that ensures the FAR reconciles with the GL. Any manual adjustments made in the general ledger it should be appropriately reflected in the FAR.</p>	<p>The Council should ensure that FAR is updated on a timely basis and should be reconciled with the properties subject to valuation during the year.</p> <p>Management response</p> <p>This has been implemented.</p>
	<p>Collection fund – errors on the disclosure</p> <p>Whilst the closing collection fund balance was unchanged income and expenditure figures were amended following the revised model used for collection fund. This resulted was material adjustments to the draft financial statements.</p>	<p>The Council should review the models used for the preparation of accounts to ensure proposed year end balances are correct and supporting by underlying evidence.</p> <p>Management response</p> <p>Agreed to amend</p>

A. Action plan – Audit of Financial Statements

Assessment	Issue and risk	Recommendations
	<p>Grant income – insufficient monitoring</p> <p>We encountered difficulties in auditing grant income due to the lack of supporting tracker that shows the receipts and expenditures of each grant. The Council provided a transaction listing making up the grant income recognised in year that match with financial statements however the lack of a schedule that could track individual grants from opening balances of deferred grant carried forward resulted in numerous revisions of grant notes and adjustments made to correct the balances of grant income. There were particular issues in relation to Covid-19 grants and the ability for the Council to be able to demonstrate the flow of income and principal and agent transactions splits.</p>	<p>The significant issues encountered in our testing of grant income related to Covid-19 and going forward these types of grants will not exist. However the Council needs to ensure it maintains a grant income tracker, where details related to the opening balance of grants (deferred grants brought forward from prior year), grant receipt during the year, expenditure from the grant income during the year, closing balance of grants are recorded.</p> <p>Management response</p> <p>Noted. The majority of the Council's grants come from DWP or DLUHC. There is a grant tracker DELTA for the latter and remittance advices for the former. During 2020/21 there were many COVID grants which was a (hopefully) one-off and that made dealing with grants more challenging for all.</p>
	<p>Grants received in advance – insufficient monitoring</p> <p>The Council does not have a process to verify the completeness of grants received in advance. This resulted in a number of revisions to the grant note and adjustments to the financial statements.</p>	<p>A supporting work paper should be in place to keep track of recorded as grants received in advance (or deferred grants). Linked to previous recommendation, this should be in sufficient details to show which grants remain as deferred as at year end and which have been reclassified to appropriate CIES balance during the year.</p> <p>Management Response</p> <p>Guildford agree that new codes need to be set up to keep grants in the balance sheet separate and this will also allow Guildford to meet the requirement of the CIPFA code in respect of the grants note.</p>
	<p>Investments – lack of monitoring</p> <p>During our audit, we found the investment reconciliation does not agree with the financial statements. We found investment classification of long term investment, short term investment, investment at amortised cost and at fair value through profit and loss account were incorrect.</p>	<p>As part of treasury reporting, investments should be kept up to date with details such as date of investments, maturity, interest rate, and assessment of presentation.</p> <p>Management response</p> <p>Guildford will be reviewing processes and controls in this area to ensure these errors are avoided in the future</p>

A. Action plan – Audit of Financial Statements

Assessment	Issue and risk	Recommendations
	<p>Related parties – missing declaration forms and outdated Council website</p> <p>We noted that the Council's website is not updated with the latest related parties of councillors as per the declarations they provided.</p> <p>Also, the council does not maintain a check for the signed declarations from all the councillors and employees/staff.</p>	<p>The Council should ensure there is a process in place that ensures declarations are requested and when returns are not provided that there is a follow up.</p> <p>Management response</p> <p>Noted and we will look at internal processes to encourage all members to complete a declaration.</p>

B. Follow up of prior year recommendations

We identified the following issues in the audit of Guildford Borough Council's 2019/20 financial statements, which resulted in 16 recommendations being reported in our 2019/20 Audit Findings report. We have followed up on the implementation of our recommendations and noted 15 of these are still to be completed.

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
x	<p>PPE Other land and Buildings - Guildford Lido valuation (PRIORITY: MEDIUM)</p> <p>We identified that this asset was valued at 31st January 2020 for the 2019/20 accounts however, the previous valuation was completed at 1st April 2014. Therefore this asset was not revalued for over 5 years. The Code stipulates that all assets have to be revalued by a LG authority at least every 5 years.</p> <p>The asset had a brought forward valuation of £800,000 and a closing valuation of £2,224,000. There is a risk that the brought forward balance not revalued different to its actual value at that time by a non-trivial amount.</p> <p>Recommendations</p> <p>Management must evaluate whether the brought forward valuation for Guildford Lido is materially correct, noting that it had not been valued for 5 years as at the opening balance sheet date.</p>	<p>Management response (2019/20)</p> <p>Management have sought confirmation from the valuer and confirmed that, although the latest valuation was performed at 31 January 2020, a supplementary valuation was performed as at 1 April 2019, within the five year window.</p> <p>Management response (2020/21)</p> <p>To be considered in 2021/22.</p>
x	<p>Investment Properties – Haydon Place (PRIORITY: MEDIUM)</p> <p>We identified that one asset - Haydon Place - was classified as an Investment Property by the client but the valuation was completed as if it was an operational property. We obtained an understanding of why this was - the client instructed the valuer in 2018/19 to value it as an operational property for the 2019/20 accounts based on the plans for the new lease. However, this fell through but the valuer wasn't informed, meaning the basis for this valuation was incorrect. We requested that the client obtains an investment property valuation for this asset. The value of the property in the draft financial statements is £585,000. There is a risk that, under a different valuation basis, the asset would have a non-trivially different value.</p> <p>Recommendations</p> <p>Management must seek a revaluation of its Haydon Place property based on its underlying nature (and valuation) as an investment property.</p>	<p>Management response (2019/20)</p> <p>Management have sought confirmation from the valuer as to whether the asset would have a different value if it had been valued as an investment property; the estimate provide indicates the estimated different to be between 2.5% to 5.0% of the asset's value. This initial assessment would not indicate a material risk noting the valuation of the asset and the fact that the range of uncertainty is below our triviality threshold. However, this assessment will be evaluated by the auditor as part of the conclusion of our fieldwork.</p> <p>Management response (2020/21)</p> <p>Valuer was contacted.</p>

B. Follow up of prior year recommendations

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
x	<p>HRA Dwellings disposed but not removed from asset register (PRIORITY: MEDIUM)</p> <p>From the work on the Dwellings (housing) we identified 2 HRA properties were not revalued this year. On review, these were not included in the revaluation schedule because these were equity share assets for which the last part-disposal had taken place, and GBC no longer owns these assets - they should have been taken off the fixed asset register but were not.</p> <p>The total value of these assets is £165k, therefore the Dwellings is overstated by £165k, this is above trivial but not material, and has been identified as an unadjusted misstatement.</p> <p>Recommendations</p> <p>Finance should ensure that part disposals are communicated by the housing team in a timely manner to ensure these are removed from the fixed asset register.</p>	<p>Management response (2019/20)</p> <p>Finance will liaise with housing at the end of the financial year to double check the share properties tie in with the asset register.</p> <p>Management response (2020/21)</p> <p>Ongoing.</p>
x	<p>Debtors / creditors journals posted after accounts closure (PRIORITY: MEDIUM)</p> <p>The audit work on debtors and creditors revealed that the transaction listings for debtors and creditors did not match the amounts disclosed in the financial statements. Further investigation revealed that journals to record revenue from collection funds and for business improvement district charges were entered in the revenue accounts correctly, however, the corresponding entries to the receivables and liability accounts were not recorded before publication of the first draft of financial statements. Journals had not gone through at time accounts were drafted and so had to be posted as correcting journals.</p> <p>Recommendations</p> <p>Finance should ensure all required postings are made prior to the submission of the draft accounts. For 21/22 audit, management confirmed that this has been implemented however we noted still a few codes that don't tie through to the trial balance.</p>	<p>Management response (2019/20)</p> <p>Finance aim to return to the 31 May date for preparing the draft SOA and all journals will be posted in the preparation as has happened in previous years.</p> <p>Management response (2020/21)</p> <p>Agreed.</p>

B. Follow up of prior year recommendations

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
x	<p>Employee starters contracts (PRIORITY: LOW)</p> <p>From the testing of starters and leavers as part of the procedures on Employee Benefit Expenditure, we identified two starters in the 2019-20 financial year where the employee did not sign their contract. HR's view is that if they start the employment they agree to the terms implicitly. Although this practice is not uncommon, we identified that beyond this there are no specific mitigations against having unsigned contracts.</p> <p>Our work did not identify any issues with respect to the validity, value or accurate processing of the HR data contained within. All forms had been correctly signed by HR.</p> <p>Recommendations</p> <p>Management should reiterate the need for employees to sign contracts within a set time period after starting.</p>	<p>Management response (2019/20)</p> <p>The starter process is being reviewed as part of the transformation programme and the implementation of the new ERP.</p> <p>Management response (2020/21)</p> <p>Ongoing.</p>
Partially	<p>Grants document retention (PRIORITY: MEDIUM)</p> <p>In sample testing revenue from grants, we could not verify two sample items due to missing documentation. The client was not able to provide the audit team with source documentation to verify the occurrence and accuracy of the revenue recognized from the two sample items. We were advised that this was due to information that had not been recorded prior to the transition to Business World combined with the fact that these both related to historic grants with an ongoing income element. This generated a sample error of £552k which, though not material, is non-trivial.</p> <p>Recommendations</p> <p>Management should ensure document retention arrangements around grant income are strengthened. In 2020/21 audit, this has been partially addressed as some of the working papers to support grant do not provide sufficient details to complete the substantive testing. Separate issue raised in 2020/21 in relation to grants tracker recommended.</p>	<p>Management response (2019/20)</p> <p>Accountants are obtaining copies of agreements as and when grants are received so we have the information to hand when we close the accounts.</p> <p>Management response (2020/21)</p> <p>We have a directory where all documentation and remittances are now saved. This is checked when preparing the account to ensure all information is there and will be loaded onto the portal having been fully referenced for the audit.</p>

B. Follow up of prior year recommendations

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
✓	<p>Group Accounts – preparation arrangements (PRIORITY: MEDIUM)</p> <p>The draft group accounts were presented for audit on 25th November 2020, late in the audit process. The underlying workings provided did not enable the auditor to reperform management’s consolidation process, particularly over intra-group eliminating entries, meaning additional audit time was required to understand and reperform management's consolidation process. Part of the reason for this is that the workings were essentially presented as two separate consolidation processes, one between North Downs Housing Ltd and Guildford Borough Council Holdings Ltd (GBCH) and another between GBCH and the Council. This two tier manual approach increases the risk of error and version control issues (which was found to be a problem). In addition, there was no documented review process or timetable for the group accounts, which should be produced at the same time as the Council’s accounts as they align to the same statutory publication deadline. While no significant quantitative errors were noted, it is recommended that the production and review process be enhanced. It is acknowledged that this is the first year that Group Accounts have been produced and that this may have contributed to the delay and method in producing them; getting the process more systemised will benefit the Council in future years particularly if there are changes or expansions to the Group structure.</p> <p>Recommendations</p> <p>There is need for the Council to put in place measures to ensure that the group accounts and consolidation process can be prepared promptly with appropriate review in place.</p> <p>This has been implemented in 2020/21.</p>	<p>Management response (2019/20)</p> <p>Additional resource has been created in the finance team who is responsible for company accounts which will enable the accounts to be prepared in a more timely fashion and allow more time to be spent on the consolidation.</p>

B. Follow up of prior year recommendations

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
x	<p>Related party declarations not received (PRIORITY: MEDIUM)</p> <p>As part of our testing over related party transactions, we identified that declarations were not received from 7 councillors. As per discussions with the Deputy CFO, to ensure that the Council has not omitted any material related party transactions from disclosure, a review of the prior year declarations is made and an assessment as to whether there is expectation for material transactions to have occurred in the current year is made. While this process and our work performed did not identify any unidentified related parties, receipt of declarations from councillors remains a key tool for the Council to identify related parties and so compliance in this area needs to be enhanced.</p> <p>Recommendations</p> <p>We recommend that as part of the process for identifying related parties for the year ended 31 March 2021 that the process for identifying missing declarations and then following these up is enhanced to ensure a higher rate of response.</p>	<p>Management response (2019/20)</p> <p>This was more tricky this year with remote working. In future, we will be able to work with Councillors at committee meetings so should have a higher return rate.</p> <p>Management response (2020/21)</p> <p>We chase, and send them information as to their duties re the need for them to respond. Only councillors were missing.</p>
x	<p>Finance team capacity (PRIORITY: MEDIUM)</p> <p>A high volume of misstatements and adjustments appeared to stem from finance team capacity and errors made prior to the draft accounts being produced. A high volume of working papers initially provided, and evidence subsequently provided, did not initially meet our audit evidence requirements. In addition, key items such as the group accounts were not made available until very late in the audit process (25 November).</p> <p>Recommendations</p> <p>We recommend that management's capacity for financial statement closedown and response to audit queries is strengthened in 2020/21.</p>	<p>Management response (2019/20)</p> <p>With the aim to prepare the draft accounts by the end of May, and the Audit for 20/21 likely to start from July, the finance team will have more time to spend on increasing the quality of working papers, with more cross referencing.</p> <p>Management response (2020/21)</p> <p>From Jan 23 a dedicated year end accountant was employed to pick up the audits and close 22/23 accounts. This has worked well and has created the extra capacity it was designed to create.</p>
x	<p>Accounts payable document retention (PRIORITY: LOW)</p> <p>For one of our accounts payable sample, the Council were not able to provide a supplier invoice. The root of this finding was an absence of synchronisation between the ledger and the housing management system (Orchard). We have gained assurance that the amount represents a creditor at year end and that the service the expenditure relates to took place.</p> <p>Recommendations</p> <p>Management should ensure document retention arrangements where service expenditure is administered in a non-finance system (e.g. Orchard) are strengthened.</p>	<p>Management response (2019/20)</p> <p>Since the introduction of Business World, the way we process invoices has changed. This should help with the source documentation being available. From 1/4/21 Orchard invoices will be dealt with differently to currently, and PO's will be raised in BW as well as Orchard.</p> <p>Management response (2020/21)</p> <p>These changes have not been implemented due to an impending system change that has not happened as soon as we thought it might.</p>

B. Follow up of prior year recommendations

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
x	<p>Treasury management working papers (PRIORITY: MEDIUM)</p> <p>The initial treasury management working papers had the following did not tie back to the amounts disclosed in the accounts and were as such unsuitable for completing our testing. As such revised working papers were required, which were provided on 21 January 2021.</p> <p>Recommendations</p> <p>We recommend that management's capacity for financial statement closedown and response to audit queries is strengthened in 2020/21.</p>	<p>Management response (2019/20)</p> <p>Many discussions on the treasury management transactions we had throughout the whole audit process, there were only a couple of outstanding items that were resolved in January, the majority were resolved much earlier in the audit. We will ensure the working papers are better cross referenced in future.</p> <p>Management response (2020/21)</p> <p>Yearend accountant and a more experienced treasury accountant were employed for 22/23 year end.</p>
x	<p>Fully depreciated assets (PRIORITY: LOW)</p> <p>We established that several assets in the fixed asset register have reached their full useful economic lives. These assets appear in the fixed asset register with nil net book values. There is need for the Council to put in place measures to ensure that assets that are reaching/have reached their full economic useful life are evaluated and appropriate action is taken to either revise estimates or clearly show that these assets are no longer in use in the fixed asset register.</p> <p>Recommendations</p> <p>There is need for the Council to put in place measures to ensure that assets that are reaching/have reached their full economic useful life are evaluated and appropriate action is taken to either revise estimates or clearly show that these assets are no longer in use in the fixed asset register.</p>	<p>Management response (2019/20)</p> <p>Finance will work with the Asset team to review these assets in the asset register.</p> <p>Management response (2020/21)</p> <p>Due to collaboration this has not yet progressed. It will be picked up for 23/24 SoA</p>
x	<p>Fully amortised assets (PRIORITY: LOW)</p> <p>We established that several assets in the intangible assets register have reached their full useful economic lives. These assets appear in the intangible assets register with nil net book values. There is need for the Council to put in place measures to ensure that intangible assets that are reaching/have reached their full economic useful life are evaluated and appropriate action is taken to either revise estimates or clearly show that these assets are no longer in use in the intangible assets register.</p> <p>Recommendations</p> <p>There is need for the Council to put in place measures to ensure that intangible assets that are reaching/have reached their full economic useful life are evaluated and appropriate action is taken to either revise estimates or clearly show that these assets are no longer in use in the intangible assets register.</p>	<p>Management response (2019/20)</p> <p>Finance will review the assets on the asset register</p> <p>Management response (2020/21)</p> <p>Due to collaboration this has not yet progressed. It will be picked up for 23/24 SoA</p>

B. Follow up of prior year recommendations

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
x	<p>Unrecorded liabilities (PRIORITY: MEDIUM)</p> <p>As part of our review of post year end supplier payments we identified two transactions which had not been recorded as liabilities prior to year end despite these relating to 2019/20 goods or services. While the value of these was not material (and management have accepted these as an unadjusted misstatement).</p> <p>While we note the disruption caused by the onset of Covid-19 restrictions at year end (March/April 2020 cut-off) may have impaired the Council's ability to effect normal processes we recommend that the root causes of the unprocessed invoices are identified and addressed.</p> <p>Recommendations</p> <p>Enhance arrangement for year-end cut off to ensure unrecorded liabilities are captured.</p>	<p>Management response (2019/20)</p> <p>This does depend on whether invoices are in dispute, held up or not received/paid in time during the closing process (which is what happened with one of these transactions). With the introduction of Business World, we are now operating a Purchase Order process so we hope this will mitigate this issue. Finance do also review the new year payments and will accrue for any that managers haven't accrued for and this process will continue.</p> <p>Management response (2020/21)</p> <p>The team review the invoices paid in the new year to make sure invoices paid in the new year in the first few weeks are accounted for in the correct year. PO's are also now in the system which allows managers and the accountants to check expenditure accrued for.</p>
x	<p>Value for Money (PRIORITY: MEDIUM)</p> <p>As at November 2020, there remains a cumulative budget gap of £4.493m for the period 2021-22 to 2024-25. The continuing impact of Covid-19 and the recovery from this is likely to put continued pressure on reserves, which will not be possible to contain solely in year.</p> <p>Recommendations</p> <p>While management's current projections do not indicate that the reserves position will become critical in the immediate future, we recommend that the Council continue to monitor this on a more frequent basis, noting the fact that a reduction in projected reserves below a certain threshold (defined as £10m within the financial risk register) may require further reprofiling of reserves in the medium term.</p>	<p>Management response (2019/20)</p> <p>Agreed we will include an update on the projected level of reserves as part of our regular financial monitoring reports to the corporate governance and standards committee starting from the Period 8 monitoring for 2020-21.</p> <p>Management response (2020/21)</p> <p>This is ongoing.</p>

B. Follow up of prior year recommendations

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
x	<p>Issue 8 (2018/19) (PRIORITY: LOW)</p> <p>Capacity issues in your finance team caused a deterioration in the quality of your draft financial statements presented for audit and delays to the external audit process. There is a risk of not achieving the statutory deadline for publishing audited accounts.</p> <p>Recommendation</p> <p>Management should ensure that the finance team has enough capacity to produce a quality set of financial statements with an accompanying set of supporting working papers and transaction listings by the beginning of June. Officers should be available to respond to audit queries in a timely manner.</p>	<p>Management response (2018/19)</p> <p>Agreed. 2018-19 has been an exceptional year for us. The Director of Finance was not made fully aware of what the internal staff resource requirement for workshops as part of the Future Guildford Phase A design phase would be until fairly late at which point it was too late to bring in additional external resources. Similarly, once the ERP system had been procured, it became apparent that further design work shops would be required at the same time as the audit process. This all impacted on the preparation of the accounts and also on the availability of staff at the audit. That said, whilst additional external resource was not employed, in order to deliver the accounts by the statutory deadline, some members of the finance team have worked a significant amount of overtime both during the closedown process and over the audit process. The Director of Finance has ensured that the overtime and commitment of the staff involved has been recognised and is grateful for the positive comments from the auditors about having met the 31st May deadline. For 2019-20 we know that we will be going live with the new ERP system and so will plan to bring in additional external resource before the closedown period to ensure that the quality of the accounts and the working papers is better next year.</p> <p>Management update (2019/20)</p> <p>Additional resource was employed by the Council for the 2019-20 closing process specifically to help the Council with the accounts for its Companies, Group accounts assessment, working papers and technical advice. However, the impact of COVID19 and a delayed implementation of the ERP system had a greater impact on the completion of the 2019-20 accounts.</p> <p>Management response (2020/21)</p> <p>Dedicated close down accountant employed from Jan 23 to assist the audits and 22/23 closing.</p>

C. Audit Adjustments

We are required to report all non-trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year ended 31 March 2021.

Detail	Comprehensive Income and Expenditure Statement £'000	Statement of Financial Position £'000	Impact on total net expenditure £'000
<p>Debtors – input error on amount posted</p> <p>One of our samples of £9,042,152 grant accruals for 2020/21 relating to council tax collection, was overstated by approx. £9m as the figure should have been £68,229. This is due to a data entry error where 3 zeros were missed but when inputting the estimated net collectible debt. This has caused debtors and reserves to be overstated by £9,042,152.</p>	Dr Government grants - 9,042	Cr Short term debtors - (9,042)	-
<p>Debtors – adjustment in Weir cost</p> <p>Weir costs were to be paid for by National Trust. Upon investigation, the Council confirmed that in 2021/22 an agreement was reached for the National Trust to pay 50% (£366K). The balance of the costs of the Weir fell to the Council and were included in the 2021/22 capital programme. Therefore the 20-21 debtor figure was misstated by £785k-£366k = £419k.</p>	-	Dr Reserves - 419 Cr Short term debtors - (419)	-
<p>Investment in GHoldings</p> <p>The Guilford Borough Council Holdings Limited (GHoldings) balance in the draft accounts was £8.4 million but the balance confirmed via other sources was £7.4 million. This investment is 100% subsidiary and is therefore outside the scope of IFRS 9. Management agreed to adjust the balance of investment in GHoldings. Financial instruments disclosure was also adjusted to exclude this investment. The difference was due to error in the split of loan to the subsidiary and the amount of investment.</p>	-	Dr Investment - 985 Cr Long term debtors - (985)	-

C. Audit Adjustments

Detail	Comprehensive Income and Expenditure Statement £'000	Statement of Financial Position £' 000	Impact on total net expenditure £'000
<p>Investment – incorrect classification of brokerage account</p> <p>The investment balance of £1 million was redeemed in December 2020 and the balance was transferred in the Guilford brokerage account which is callable anytime. As per code, callable money should be classified as cash and cash equivalent as opposed to being a short term investment as per draft accounts. We have examined the report from Northern Trust confirming this investment for £1,142,500 which includes interest as at 31 March 2021.</p>	-	<p>Dr Cash equivalents – 1,143</p> <p>Cr Investment - (1,143)</p>	-
<p>Investment – error in presentation of investment in Southern Home Ownership</p> <p>We found an error in the classification of an investment (Southern Home Ownership) to the value of £6m and maturing in March 2023. The Council is classifying investments on the basis of total duration (start date of investment to maturity date of investment), however the CIPFA code of conduct defines long term investment as those with more than a year's duration from the year end date.</p>	N/A – presentation only	N/A – presentation only	N/A – presentation only
<p>Provisions – error on in year movement</p> <p>We have recalculated the movement in provisions using relating to the Collection Fund. The opening and closing balances in the note were correct but movements during the year we incorrect.</p>	N/A – presentation only	N/A – presentation only	N/A – presentation only
<p>Investment properties – error in fair value gain of asset transferred out</p> <p>Assets 50228/P10, P11 and P12 Middleton Industrial estates 12,13,14-15 were transferred out of Investment property to assets under construction (AUC) as management intends to redevelop them further however the fair value gain of £320k before transfer was adjusted against assets under construction instead of Investment properties (IP).</p>	-	<p>Dr IP – 320</p> <p>Cr AUC - (320)</p>	-

C. Audit Adjustments

Detail	Comprehensive Income and Expenditure Statement £'000	Statement of Financial Position £' 000	Impact on total net expenditure £'000
<p>Investment properties – misclassification of Middleton Estate redevelopment</p> <p>The Middleton Estate 11 is under redevelopment since 2019/20. The Council incorrectly classified this property as an 'Asset under construction' when it should be a Investment Property.</p> <p>The Council's valuer had correctly valued the asset as an Investment Property in its report to the Council. The correct has been made in year and an adjustment of the prior year accounts is not required because the difference is not material and only impact a disclosure note.</p> <p>The 2020/21 draft accounts included a further £3.2m incorrectly recorded within PPE rather than Investment Property. Overall, an adjustment of £6.98m was required from PPE to Investment Property.</p>	-	Dr IP – 6,890 Cr PPE – (6,980)	-
<p>Infrastructure assets – reclassified to AUC</p> <p>In 2019/20, the Council capitalised £8.2m for the Internal Estate Road in Slyfield. An additional £342k was also capitalised in 2020/21 for the same project. The Council confirms the road is still in progress as at April 2023 and when completed, will be transferred to SCC with agreed adoption cost of £895k payable in approximately 12 years.</p> <p>A prior period adjustment was agreed with the Council to reclassify the £8.2m previously recorded as infrastructure assets into assets under construction. The additional costs capitalised in 2020/21 were also made. These assets have not been depreciated as at 31 March 2021 and therefore no further adjustments affecting the CIES are required.</p>	-	Presentation only affecting breakdown of PPE note. Prior period adjustment of £8.2m made to correct balance of infrastructure assets and AUC.	-
<p>PPE – double recording on FAR</p> <p>We noted a difference in relation to one asset which had two line items in the Fixed Asset Register. The draft financial statements did not include one of these line items to the value of £573k.</p>	Cr Revaluation gain – (573)	Dr PPE – 573	-
Overall impact	£8,469	(£8,469)	£-

C. Audit Adjustments

Misclassification and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Disclosure omission	Auditor recommendations	Adjusted?
Related parties note	We found a number of differences relating to the prior year disclosure of related parties. These disclosures were not consistent with the value taken from the prior year audited accounts and thus were updated. Management response Agreed to amend.	✓
Notes to Housing Revenue Account	We found a number of differences in disclosures made in the notes to the HRA that were either not consistent with other disclosures in the accounts. These were all presentational and did not impact on the HRA statements. Management response Agreed to amend.	✓
Remuneration – errors in councillors allowances and employee bandings	The 'Special responsibility allowance' balance was were incorrectly disclosed and were not consistent with HR records or the Council's website. The number of employees in band £70,000 - £74,999 needs to be changed from 9 to 8 and in band £80,000 - £84,999 from 4 to 3. Management response Agreed to amend.	✓
Financial instruments	There were a number of disclosure issues in this note where figures did not reconcile to other areas of the financial statements. The most significant of these differences related to non-financial short term creditors which required adjusting from £42.4m to £30.3m. Management response Agreed to amend.	✓
Capital disclosures	We found a number of differences relating to the prior year disclosure of capital disclosures. These disclosures were not consistent with the value taken from the prior year audited accounts and thus were updated. Management response Agreed to amend.	

C. Audit Adjustments

Disclosure omission	Auditor recommendations	Adjusted?
Capital Expenditure and capital Financing	<p>There were differences in a number of balances within this note where the draft figure did not reconcile to underlying supporting evidence.</p> <p>Management response Agreed to amend.</p>	✓
Grants income	<p>The balance of Covid-19 grant included in the draft financial statements was incorrect (£17.24m updated to £14.56m. The other grant balance included in the draft financial statements was £10.08m but supporting evidence confirmed it should be £1,52m.</p> <p>Further disclosures were also required to show the rolling balance of grants received in advance in relation to both principal and agent Covid-19 grants.</p> <p>Management response Agreed to amend.</p>	✓
Operating leases	<p>The disclosure relating to the future lease payments receivable under non-cancellable leases in future years under operating lease note, incorrectly calculated. An error in the formula was noted.</p> <p>Management response Agreed to amend.</p>	✓

Agenda item number: 6
Appendix 1

C. Audit Adjustments

Impact of unadjusted misstatements

The table below provides details of adjustments identified during the 2020/21 audit which have not been made within the final set of financial statements. The Corporate Governance and Standards Committee is required to approve management's proposed treatment of all items recorded within the table below.

Detail	Comprehensive Income and Expenditure Statement £'000	Statement of Financial Position £' 000	Impact on total net expenditure £'000	Reason for not adjusting
<p>The Council should assess the probability of the sale of noncurrent assets expected to occur after the balance sheet date. The Code provides criteria for an asset to be classified as assets held for sale (AHFS).</p> <p>In 2020/21 we noted that the Council sold fixed assets under right to buy arrangements with total consideration of £406,506. This amount should have been reclassified as assets held for sale and measured at fair value. The management opted not to adjust and therefore the amount of £406,506 was reported as uncorrected adjustment.</p>	-	Dr AHFS – 406 Cr PPE – (406)	-	Not material.
<p>On our operating service expenditure (OPEX) testing, we have noted 3 fails while on samples which resulted in projected error of £397,500 understatement in the expenditure.</p>	Dr OPEX – 398	Cr Payable - (398)	-	Not material.
Overall impact	£398	£398		

D. Fees

We confirm below our final fees charged for the audit and provision of non-audit services.

Audit fees	Proposed fee	Finance
Council Audit	80,300	Appendix 1

The Council will receive a grant to support additional fees for 2020/21 relating to new accounting standards and the change to the VFM audit. The Council's share of the £15m pot identified by MHCLG (now DLUHC) for 2020/21 is £22,837.

In addition, we note in August 2021 the PSAA approved the distribution of surplus funds relating to 2020/21 to opted-in bodies. The Council's share is £8,740.

Our final fee for 2020/21 is to be confirmed once the audit has completed. We will discuss the fee with management and it will require approval from the PSAA. Due to the significant work required to complete our audit this proposed fee will be significant.



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[LETTER TO BE WRITTEN ON CLIENT HEADED PAPER]

Grant Thornton UK LLP
30 Finsbury Square,
London EC2A 1AG

[Date] – {TO BE DATED SAME DATE AS DATE OF AUDIT OPINION}

Dear Sirs

Guildford Borough Council
Financial Statements for the year ended 31 March 2021

This representation letter is provided in connection with the audit of the financial statements of Guildford Borough Council and its subsidiary undertakings, Guildford Borough Council Holdings Limited and North Downs Housing Limited, for the year ended 31 March 2021 for the purpose of expressing an opinion as to whether the group and Council financial statements are presented fairly, in all material respects in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 and applicable law.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

- i. We have fulfilled our responsibilities for the preparation of the group and Council's financial statements in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 ("the Code"); in particular the financial statements are fairly presented in accordance therewith.
- ii. We have complied with the requirements of all statutory directions affecting the group and Council and these matters have been appropriately reflected and disclosed in the financial statements.
- iii. The Council has complied with all aspects of contractual agreements that could have a material effect on the group and Council financial statements in the event of non-compliance. There has been no non-compliance with requirements of any regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
- iv. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- v. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. We are satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with the Code and adequately disclosed in the financial statements. We understand our responsibilities includes identifying and considering alternative, methods, assumptions or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the estimate used.
- vi. We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme assets and liabilities for IAS19 Employee Benefits disclosures are consistent with our knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant post-employment benefits have been identified and properly accounted for.

- vii. Except as disclosed in the group and Council financial statements:
 - a. there are no unrecorded liabilities, actual or contingent
 - b. none of the assets of the group and Council has been assigned, pledged or mortgaged
 - c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
- viii. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Code.
- ix. All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the Code require adjustment or disclosure have been adjusted or disclosed.
- x. We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The group and Council financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.
- xi. We have considered the unadjusted misstatements schedule included in your Audit Findings Report. We have not adjusted the financial statements for these misstatements brought to our attention as they are immaterial to the results of the Council and its financial position at the year-end. The financial statements are free of material misstatements, including omissions.
- xii. Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.
- xiii. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- xiv. The prior period adjustments disclosed in Note [X] to the financial statements are accurate and complete. There are no other prior period errors to bring to your attention.
- xv. We have updated our going concern assessment. We continue to believe that the group and Council's financial statements should be prepared on a going concern basis and have not identified any material uncertainties related to going concern on the grounds that :
 - a. the nature of the group and Council means that, notwithstanding any intention to cease the group and Council operations in their current form, it will continue to be appropriate to adopt the going concern basis of accounting because, in such an event, services it performs can be expected to continue to be delivered by related public authorities and preparing the financial statements on a going concern basis will still provide a faithful representation of the items in the financial statements
 - b. the financial reporting framework permits the entry to prepare its financial statements on the basis of the presumption set out under a) above; and
 - c. the group and Council's system of internal control has not identified any events or conditions relevant to going concern.

We believe that no further disclosures relating to the group and Council's ability to continue as a going concern need to be made in the financial statements

Information Provided

- xvi. We have provided you with:
 - a. access to all information of which we are aware that is relevant to the preparation of the group and Council's financial statements such as records, documentation and other matters;
 - b. additional information that you have requested from us for the purpose of your audit; and
 - c. access to persons within the Council via remote arrangements, in compliance with the nationally specified social distancing requirements established by the government in response to the Covid-19 pandemic. from whom you determined it necessary to obtain audit evidence.
- xvii. We have communicated to you all deficiencies in internal control of which management is aware.
- xxiii. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xix. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- xx. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the group and Council, and involves:
 - a. management;
 - b. employees who have significant roles in internal control; or
 - c. others where the fraud could have a material effect on the financial statements.
- xxi. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.
- xxii. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
- xxiii. We have disclosed to you the identity of the group and Council's related parties and all the related party relationships and transactions of which we are aware.
- xxiv. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Governance Statement

- xxv. We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Council's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

- xxvi. The disclosures within the Narrative Report fairly reflect our understanding of the group and Council's financial and operating performance over the period covered by the financial statements.

Appendix 2

Approval

The approval of this letter of representation was minuted by the Council's Corporate Governance and Standards Committee at its meeting on **ENTER DATE**.

Yours faithfully

Name.....

Position.....

Date.....

Name.....

Position.....

Date.....

Signed on behalf of the Council

Guildford Borough Council

Report to: Corporate Governance and Standards Committee

Date: 27 July 2023

Ward(s) affected: All wards

Report of Director: Transformation & Governance

Author: Vicky Worsfold

Tel: 01483 444834

Email: victoria.worsfold@guildford.gov.uk

Lead Councillor responsible: Richard Lucas

Tel: 07834 020422

Email: richard.lucas@guildford.gov.uk

Report Status: Open

2020-21 Audited Statement of Accounts

1. Executive Summary

- 1.1 The terms of the Corporate Governance and Standards Committee include the approval of the statutory Statement of Accounts on behalf of the Council. The audited Statement of Accounts at attached at Appendix 1.
- 1.2 The Audit Findings Report, presented elsewhere on this agenda, covers the changes made to the accounts between the draft published on our website and the audited accounts.

2. Recommendation to Committee

That the Committee:

- 2.1. approves the audited statement of accounts 2020/21, as set out in Appendix 1, and
- 2.2. agrees that the Chairman of the meeting signs the office copy of the accounts to state they are approved.

3. Reasons for Recommendation:

- 3.1. To approve the Statement of Accounts for 2020-21
- 3.2. In order to comply with the Accounts and Audit Regulations 2015 the statutory statement of accounts requires approval by Council or a designated Committee, by 30 November each year.

4. Exemption from publication

No

5. Purpose of Report

- 5.1. This report presents the audited statutory statement of accounts 2020-21 for approval by the Committee.

6. Strategic Priorities

- 6.1. Good financial management underpins the achievement of the Council's Corporate Plan.

7. Background

- 7.1. The terms of reference of this Committee include approval of the statutory Statement of Accounts on behalf of the Council.
- 7.2. The external auditors, Grant Thornton UK LLP, have completed their audit and the Chief Finance Officer (CFO) will re-certify the statement of accounts.
- 7.3. The audit findings report, presented elsewhere on the agenda, covers the changes made to the accounts between the draft accounts

published on our website, and the audited accounts. The audited accounts at Appendix 1 include any changes made as a result of the audit.

- 7.4. The external auditors have issued an unqualified opinion on the financial statements but have recommended a number of management actions.

8. Consultations

- 8.1. The Lead Councillor for Finance has been kept up to date on the progress of the audit.

9. Key Risks

- 9.1. Key risks are highlighted in the audit findings report elsewhere on this agenda.

10. Financial Implications

- 10.1. There are no financial implications arising from this report.

11. Legal Implications

- 11.1. The Accounts and Audit Regulations 2015 require that the Council, or a Committee must consider and approve the Statement of Accounts no later than 30 November each year. The Council has delegated this responsibility to this Committee.
- 11.2. The Accounts and Audit Regulations also require the person presiding at the meeting to sign and date the statements, that we must publish, accompanied by the auditor's report.

12. Human Resource Implications

- 12.1. There are no human resource implications arising from the report.

13. Equality and Diversity Implications

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

14. Climate Change/Sustainability Implications

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

15. Summary of Options

- 15.1 The 2020-21 accounts are required to be signed off by this Committee.

16. Conclusion

- 16.1 The 2020-21 audit has concluded, and the CFO will recertify the accounts in accordance with the Accounts and Audit Regulations 2015.
- 16.2 The audited accounts include any changes requested by the auditor which can be found in the Audit Findings Report elsewhere on this agenda.

17. Background Papers

None

18. Appendices

Appendix 1: Audited Statement of Accounts 2020-21



Guildford Borough Council audited Statement of Accounts 2020-21

www.guildford.gov.uk

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

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Statement Of Responsibilities

The Council's Responsibilities

The Council is required to:

- Make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this authority, that officer is the Chief Financial Officer.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Approve the Statement of Accounts.

The Chief Financial Officer's Responsibilities

The Chief Financial Officer is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts, the Chief Financial Officer has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with the local authority Code.

The Chief Financial Officer has also:

- kept proper accounting records which were up to date
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the Statement of Accounts presents a true and fair view of the financial position of Guildford Borough Council at 31 March 2021 and of its income and expenditure for the year ended 31 March 2021.

Peter Vickers
Chief Financial Officer
xx/xx/xx

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

Independent Auditor's Report To The Members of Guildford Borough Council

Report on the Audit of the Financial Statements – to follow

Chief Financial Officer's Narrative Report

Financial Performance during the year – General Fund Revenue

I have pleasure in presenting the Council's Statement of Accounts for the financial year 2020-21.

The overall financial climate continues to be difficult and is likely to remain so for a number of years. Local Government, which is continuing to play its part in helping to address the national funding deficit following the 2008 financial crisis, now has the greater challenge of coping with the outbreak of the worldwide pandemic Covid19. Over the last 10 years each Council has been required to continue to deliver services with fewer resources, that challenge is unlikely to get easier in the future. During this time, Guildford Borough Council ("the Council") has continued to maintain its focus on robust planning and monitoring of the budget and identification of efficiency savings for the future.

The Council's settlement funding assessment for 2020-21 from Central Government was an increase of 1.6% (2019-20 increase was 2.3%). This followed reductions of:

- 2011-12 15.2%
- 2012-13 12.6%
- 2013-14 6.6%
- 2014-15 16.8%
- 2015-16 15.0%
- 2016-17 18.1%
- 2017-18 18.6% and
- 2018-19 10.8%

The budget for 2020-21 did not include any new investment in services but instead focussed on investment in ICT and business process re-engineering under the Future Guildford transformation programme, in order to deliver the savings required to balance the Council's budget over the medium term. The Future Guildford transformation programme, approved by Council in February 2019 proposed a one-off investment of £13.4 million of earmarked reserves in order to deliver on-going annual revenue savings of up to £10.2 million per annum by 2023-24. Other one off growth items were included in the budget for the development of a town centre masterplan, carbon emissions strategy, drinking water filling points and oak processionary moth funded from reserves.

The net budget requirement for the year 2020-21 was set in February 2020 at £49,046,533 an increase of £3.8 million from the Council's 2019-20 net budget requirement of £45,264,844. The net budget requirement is the amount the Council expects to spend after allowing for income from sources such as direct grants, fees, charges and rents but excludes income from revenue support grant, business rates and adjustments relating to the collection fund balance.

The net budget figure above excludes the precept requirements of the Parish Councils, which was £1,876,544 (2019-20 precept requirements were £1,740,697, an increase of 7.8%).

The Borough Council's band D council tax was set at £176.82, an increase of £5 (2.91%) from 2019-20. The report to Council on 05 February 2020, available on the Council's website, provides further details about the Council's budget for 2020-21.

We monitored performance against the budget closely through the year with particular attention paid to our key services (Development Control, Planning Policy, Industrial Estates, Investment Property, Leisure Management, Off Street Parking, Parks and Countryside and Refuse and Recycling), control of salaries and achievement of the efficiency savings included in the budget.

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

The Final Accounts report, presented to the Executive on 24 August 2021 and is available on the Council's website, gives a detailed analysis of the variances in service expenditure.

The Council receives investment income from our cash backed reserves. As at 31 March 2021, we had around £159 million invested. Overall, net interest payable in the year were approximately £1.1 million lower than anticipated at £2.8 million. The Capital and Investment Outturn Report was reported to Executive on 24 August 2021, available on the Council's website provides further information about the Council's investment and borrowing activity during the year and our performance against our prudential indicators.

In setting the 2020-21 budget, a minimum revenue provision of £1.639 million was assumed. The actual minimum revenue provision was £1.288 million which is approximately £351,000 less than budgeted.

Overall the net expenditure on the General Fund was higher than the original estimate to the value of £5.6 million, which has been funded by utilising the following earmarked reserves:

Earmarked Reserve	Amount Used £
New Homes Bonus	2,387,708
Carry forward reserve	276,300
Car Parks Maintenance reserve	861,158
Legal actions reserve	812,223
Budget Pressures reserve	1,309,130
Total	5,646,519

This is lower than the £6.3 million reported in the outturn reports due to the accounting implications of Covid-19 grants being different to the final outturn figures.

Financial Performance during the year – Capital Expenditure

Capital expenditure in the year totalled £42.1 million. The major areas of capital spend are shown in the table below:

	Original estimate (£'m)	Actual (£'m)	Variance (£'m)
Non-housing approved programme	84.2	27.7	(56.5)
Non-housing provisional programme	83.3	0.0	(83.3)
Schemes financed from reserves	4.0	1.7	(2.3)
Total General Fund	171.5	29.4	(142.1)
Housing approved Capital programme	14.9	12.7	(2.2)
Housing provisional Capital Programme	12.4	0.0	(12.4)
Total HRA	27.3	12.7	(14.6)
TOTAL General Fund and Housing Capital Expenditure	198.8	42.1	(156.7)

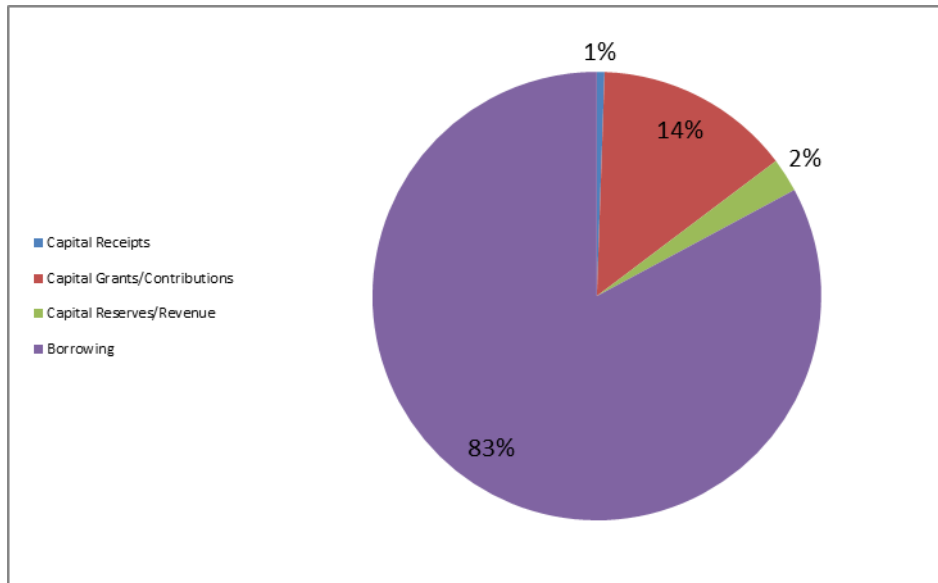
The main areas of capital expenditure (ie, above £500,000) during the year were:

- £10.8 million investment in Weyside Urban Village redevelopment (formerly known as Slyfield Area Regeneration Programme)
- £1.2 million investment in acquisition of Strategic Property
- £4.8 million investment in North Downs Housing (£2.9 million in equity shares and £1.9 million in loans)
- £2.3 million on the Vehicles, Plant and Equipment replacement programme

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

- £1.3 million on the replacement of Walnut Bridge
- £0.9 million on a new road bridge over the railway near Ash Station
- £3.4 million investment in the redevelopment of Midleton Industrial Estate
- £1.2 million investment in ICT as part of the Future Guildford transformation programme
- £3.6 million investment in improvements and renovations to HRA property
- £5.2 million on acquisition of new HRA property

The capital expenditure was financed by utilising the following resources:



We only financed £17.4 million of our capital expenditure from existing resources, resulting in an increase to our Capital Financing Requirement, funded by internal borrowing, of £13 million.

Internal sources of funds available at 31 March 2021 to meet future capital expenditure are:

- General Fund capital schemes reserve £nil
- HRA usable capital receipts £8.7 million
- HRA future capital programme reserve £38.2 million
- HRA new build reserve £61.2 million
- HRA Major Repairs Reserve £11.8 million

Financial Performance during the year - Treasury Management

Our Capital and Investment Outturn report was presented to Executive on 24 August 2021 and is available on our website. The principle value of Investments at 31 March 2021 totalled £159.3 million made up as follows:

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

Investment details	Balance at 31-03-21 £m	Weighted Avg Return for Year
Internally Managed Investments		
Fixed Investments < 1 year to cover cash flow	57.50	0.94%
Corporate bonds	2.00	0.17%
Long term bonds	16.10	0.50%
Notice Accounts	3.00	0.39%
Call Accounts	0.33	0.07%
Money Market Funds	39.22	0.13%
Revolving credit facility	0.00	1.47%
Long term investments > 1 year	18.50	1.21%
Externally Managed Funds		
Funding circle	0.50	6.51%
Cash plus	5.00	0.00%
CCLA	6.49	4.81%
RLAM	2.33	2.19%
M&G	3.53	4.45%
Schroders	0.70	7.04%
UBS	2.20	3.95%
City Financials	1.97	0.85%
Total Investments	159.37	1.07%

The book cost of investments is the amount of cash receivable if the investments were to be sold on 31 March 2021. The book cost is different to the amounts shown in note 29 of the financial statements where the investments are shown in accordance with IFRS 9 Financial Instruments. Gross interest received in the year from investments was £2.435 million against a budget of £1.685 million.

During the year we increased the value of temporary borrowing by £74.5 million taken out for cash-flow purposes and replace some internal borrowing. The principal balance outstanding on our external loans (both short-term and long-term) at 31 March 2021 was £310.5 million.

The investment markets remained extremely challenging with the Bank of England decreasing the base rate due to the pandemic and the Council continued its focus on preserving capital whilst optimising interest earnings.

Explanation of Key Information contained in the Financial Statements

Local Authorities are required to prepare their accounts in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* (the Code). International Financial Reporting Standards (IFRS) form the basis for the Code, which has been developed by the Local Authority Accounting Code Board comprising members from the Chartered Institute of Public Finance and Accountancy (CIPFA) and Local Authority of Scotland Accounts Advisory Committee (LASAAC), under the oversight of the Financial Reporting Advisory Board (FRAB). The Code constitutes a proper accounting practice under the terms of section 21(2) of the Local Government Act 2003.

The complete set of financial statements is set out on the following pages. The Code prescribes the order of presentation of the financial statements and the Statement of Accounting Policies supports the accounts by explaining the policies used in their preparation. In summary, the financial statements comprise the:

- Expenditure and Funding Analysis (EFA): showing how the Council's annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) in comparison with those resources the Council consumes or earns in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's Directorates.
- Comprehensive Income and Expenditure Statement (CIES): showing the accounting cost in

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

the year of providing services in accordance with generally accepted accounting practices. This Statement provides the detail behind the surplus or deficit on provision of services figure included in the Movement in Reserves Statement. The Statement shows the total expenditure and income in the year for all services.

- **Movement in Reserves Statement (MIRS):** showing the movement in the year on the different reserves held by the Council, analysed into usable reserves (i.e. those that we can use to finance expenditure or reduce local taxation) and other reserves. This Statement shows how the movements in year of the Council's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return the amounts chargeable to council tax or rents for the year.
- **Balance Sheet:** showing the value of the Council's assets and liabilities at 31 March 2021. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council.
- **Cash Flow Statement:** showing the changes in the amount of cash and cash equivalents during the financial year. The Statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.
- **Notes to the above Statements:** giving a summary of significant accounting policies and other explanatory information. We have split these notes into normal and accounting technical notes to aid the readability of the financial statements for users.
- **Housing Revenue Account (HRA) Income and Expenditure Statement:** covering income and expenditure relating to the provision of council housing in accordance with Part 6 of the Local Government and Housing Act 1989. The HRA is ring-fenced from the rest of the General Fund. Its primary purpose is to ensure that the expenditure on managing tenancies and maintaining dwellings is balanced by rents charged to tenants so that rents cannot be subsidised from council tax, or vice versa.
- **Notes to the HRA:** giving explanatory information to the HRA Income and Expenditure statement.
- **Collection Fund Revenue Account:** showing the transactions of the Council as a billing authority in relation to non-domestic rates and council tax. The Fund shows the way in which these have been distributed to local authorities and the Government on whose behalf Guildford Borough Council collects the amounts due.
- **Notes to the Collection Fund:** giving explanatory information to the Collection Fund Revenue Account.
- **Group accounts:** provides a set of account for the Council's wholly owned companies.

Expenditure and Funding Analysis (EFA)

The net expenditure chargeable to the General Fund and HRA balances was a surplus of £15.8 million. £31.7 million adjustments between funding and accounting bases resulted in a deficit reported in the CIES of £15.965 million.

Income and Expenditure Statement (CIES)

The deficit on provision of services was £15.965 million. There was a net total of a surplus on the HRA of £12.275 million, and a deficit on the General Fund of £28.240 million.

Total comprehensive income and expenditure was £32 million expenditure, compared to £3.2 million income in 2019-20. The difference is mainly due to Covid-19 impact on the Council's accounts.

Movement in Reserves Statement (MIRS)

The MIRS shows that a surplus of £12.275 million is added to the HRA and a deficit of £28.240 million taken from the General Fund. £37.9 million is added to the General Fund and £6.1 million taken from the HRA as a result of adjustments made under statutory regulations.

£53.5 million of the GF balance of £57.3 million as at 31 March 2021 is held in reserves earmarked for specific purposes. The remaining £3.7 million is held as unallocated funds. In the case of the HRA, £98.1

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

million of the balance of £100.5 million is held in earmarked reserves, leaving an unallocated balance of £2.5 million.

Balance Sheet

The Balance Sheet shows that our long-term assets have increased in value during the year by 0.9% from £990.9 million to £999.9 million. This is due to a £14.9 million increase in value of the Council's property portfolio on revaluation during the year and net additions, and long-term debtors (£4 million), offset by a reduction in long-term investments (£10 million).

Current assets have increased by 112.6% from £87.7 million to £186.6 million, mainly due to a increase in short-term investments (including those classified as cash equivalents) from £73.8 million to £133.9 million, short term debtors from £13 million to £52.2 million, partly offset by selling assets held for sale of £431,000. After our liabilities are taken into account, our net assets have decreased by 4.62% from £691.3 million to £659.4 million.

We had an increase in our usable reserves of £12.96 million, and an decrease in our unsable reserves of £44.9 million.

Pension liability

As part of the terms and conditions of employment of its officers, the Council makes contributions towards the cost of post-employment benefits. The Council participates in the Local Government Pension Scheme administered by Surrey County Council – this is a funded scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

Hymans Robertson LLP, completed a triennial review of the fund at 31 March 2019 which set the employer contribution rates for 2020-21 to 2022-23. The triennial valuation of the pension scheme showed that the overall deficit on the pension fund has reduced from £679 million at 31 March 2016 to £196 million at 31 March 2019 increasing the funding level of the scheme from 83% to 96% over the period. Guildford's share of the deficit was £37 million at 31 March 2016 but had reduced to £19 million at 31 March 2019 and the funding level has increased from 80% to 91% for Guildford. The main reason for the increase is due to increased investment returns on the pension scheme assets. Employer contributions are split between:

- the primary rate, which is expressed as a percentage of pay. The valuation report proposed that this rises from 15.1% to 17.2% due to a weaker outlook for investment returns in the future and the additional pressure placed on scheme liabilities and funding plans to allow for the 'McCloud' ruling, and,
- a secondary rate which is an annual cash contribution to the scheme, the secondary rate has remained stable at around £2.2 million per annum, due to the increase in investment assets of the scheme.

The Council accounts for pension costs, in its financial statements, based on International Accounting Standard (IAS) 19; Employee Benefits. This standard requires that the cost of retirement benefits are reported when they are earned by employees rather than when the benefits are paid as pension.

Legislation prevents this cost affecting council tax and housing rent levels, which are based on the cash payable in the year. The accounts include an adjustment for the difference in the form of a transfer to or from a statutory pensions reserve.

The accounts, based on IAS 19, show a total pension fund liability of £143 million (£113.5 million in 2019-20) which has a substantial impact on the net worth of the authority as recorded in the balance sheet. The position, as valued by IAS 19 differs to that reported as part of the triennial valuation principally because the accounting standard requires that the discount rate is set with reference to the yields on high quality corporate bonds irrespective of the actual investment strategy of the Fund. As such the IAS 19 valuation of the Fund is unlikely to reflect the eventual cost of providing the benefits and does not affect the level of

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

contributions to the fund from either the employees or the Council. Statutory arrangements for funding the deficit mean that the financial position of the Council remains healthy; the deficit will be made good by contributions over the remaining working life of employees as assessed by the scheme actuary. It is important to remember that pensions are long-term assets and liabilities and the IAS 19 figures disclose the position at a point in time based on the actuaries' financial assumptions.

Reserves, Balances and Provisions

We are not required to include a full list of reserves and balances in the Statement of Accounts, however we included one the Final Accounts report to the Executive on 20 September 2021. Transfers to and from the reserves have been made during the year as appropriate and can be seen at Note 11 to the accounts.

We maintain a bad debt provision at a suitable level including sufficient provision to meet all likely non-collectable local taxation.

Assessment of Going Concern and Key Ratio's

The financial statements show the following measures of the Council's financial position:

Indicator	Definition	2019-20	2020-21
Liquidity Ratio	Current Assets / Current Liabilities	1.09	0.79
Gearing %	Total borrowing / Long Term Assets	24%	31%
Net Debt Expenses as a % Gross Income	Net interest payable + Statutory provision for the repayment of debt / (Gross Service Income + Taxation and Non-specific Grant Income + Investment Property Income)	5%	5%
Borrowing as a % Gross Income	Long Term Borrowing / (Gross Service Income + Taxation and Non-specific Grant Income + Investment Property Income)	128%	119%
General Fund Reserves as % Net Expenditure chargeable to the General Fund	level of GF & GF earmarked reserves / net expenditure chargeable to the general fund	111%	137%
HRA Reserves as % Net Expenditure chargeable to the HRA	level of HRA & HRA earmarked reserves / net income chargeable to the HRA	594%	568%
Council Tax Income as % Gross Income	Council Tax income / (Gross Service Income + Taxation and Non-specific Grant Income + Investment Property Income)	8%	9%
Net Retained Business Rates as % Gross Income	Net Business Rate Income / (Gross Service Income + Taxation and Non-specific Grant Income + Investment Property Income)	2%	-13%
Net Investment Property Income as % Gross Income	Net Investment Property Income / (Gross Service Income + Taxation and Non-specific Grant Income + Investment Property Income)	6%	5%

* this figure reflects the impact of Covid-19 on the collection fund, where there is an unusually large deficit which will be repaid over the next 3 years.

The table above shows that the Council has a sufficient reserves to meet future expenditure requirements. Its overall gearing level is good, its income is diversified meaning that the Council is not overly reliant on

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

one form of income and the level of debt expense is affordable.

(CIPFA) has produced a financial resilience index in response to concerns within the local government sector and central government about the financial resilience of some local authorities following the significant funding reductions incurred by the sector since 2013-14.

The financial resilience index shows how the Council compares to other similar authorities across a basket of financial indicators based on its 2019-20 accounts and a trend analysis of changes since 2017-18. The analysis can be found on the CIPFA Website (<https://www.cipfa.org/services/financial-resilience-index-2022>). Guildford compares well on the analysis to other authorities with the majority of indicators showing that the Council is at medium-low risk of financial stress. As explained above, key determinants of the Council's position are its comparatively high level of reserves, a low reliance on government grant, and a high reliance on council tax, net retained business rates and other locally raised revenue to finance expenditure on delivery of services.

In addition to the CIPFA resilience index the Local Government Association also publish an index of key financial indicators under which Guildford can be compared to all local authorities in the Country or a subset group of them. The data is drawn from statutory 'RA and RO' returns. Comparison of Guildford to all other districts in the South East of England shows that Guildford's total reserves as a proportion of net revenue expenditure is above the mean of other authorities in the comparator group.

The legislative framework around local government in the UK means that the Council's existence (or not) is determined by national legislation setting out how and what level of government services are provided at a local level. The provisions within the CIPFA Code confirm that the legislative framework does not allow any ability to cease being a going concern as described by IAS 1 Presentation of Financial Statements (management deciding to liquidate the entity or cease trading). It will require a change in legislation for the Council to be abolished or to cease trading, at present, there is no such legislation in place proposing such a change. However, even if a statutory change in local government were forthcoming, any assets and liabilities of the Council and its service provision would transfer to a new body. As a result the CIPFA Code of Practice on Local Authority Accounting requires the Council to prepare its accounts on a going concern basis.

Collection Fund

Collection rates for both Council Tax and Business Rates were lower than previous years due to the Pandemic. The council tax collectable debit for 2020-21 was approximately £115 million and 97.5% had been collected by 31 March 2021. At the same time, 95.5% of the collectable debit for non-domestic rates (£45 million) had been collected.

Business Rates Retention Scheme

The Business Rates Retention Scheme (BRRS) allows the Council to benefit financially from any above inflation growth achieved in the level of business rates in our area, but the Government also transferred the risk of a fall in business rates to us and the rate in the pound levied is still controlled by the Government.

The BRRS starts with the Government's assumption of the level of Business Rates nationally and sets an amount known as the NDR Baseline. For Guildford the NDR Baseline was set at £36 million. The Government assessed our baseline funding level at £2.9 million, the difference (£33.1 million) was paid to the Government as a tariff. If Guildford's actual business rate income is higher than the NDR Baseline then the Council is required to pay a levy of 50% of the additional income to central Government.

When we set our 2020-21 budget, we projected the business rate income we would receive £86.7 million (the Council's 40% share is £34.7 million) and provided this estimate to the government in our NNDR 1 return. At the end of the year, we update the data based on actual income (£38.5 million of which the Council's share is £15.4 million) and inform the government in our NNDR 3 return. The significant difference between the actual and estimated income for 2020-21 relates to the COVID19 pandemic and the significant level (£43.9 million) of business rate relief the Council provided to businesses for which it has

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

received a Section 31 grant from government to compensate for the loss of income.

The amount we recognise in the Income and Expenditure Statement for business rate income for 2020-21 is the amount we projected on the NNDR1 return, i.e., our budgeted amount; however, the amount we actually received (and reported on our NNDR3 return) is recognised in the Collection Fund. The government has legislated that local authorities reverse the impact on the general fund of any difference in business rate income through the surplus/deficit on the Collection Fund and an adjustment to the Collection Fund Adjustment Account on the MIRS. The difference between what we estimated and received therefore forms part of the surplus or deficit on the Collection Fund and will be taken into account in setting the budget for 2021-22. Due to the £43.9 million business rate relief granted in 2020-21 from the collection fund there is a significant deficit of £59 million on the Council's collection fund for 2020-21. The Council's share of this deficit is £23.9 million and this has been taken into account when setting the budget for 2021-22. The Section 31 grant received in respect of the business rate relief has been credited to the Income and Expenditure statement and transferred to an earmarked reserve at the year end to offset the deficit which will be charged to the Income and Expenditure statement in 2021-22.

The Council has calculated a total provision of £11.3 million for appeals is required as at 31 March 2021, of which the Council's share is £4.55 million (40%).

The table below shows the difference between the actual and estimated income from business rates and the resulting impact on the levy payment:

<u>Business Rates Retention Summary [zero impact]</u>	Budget	2020-21 Actual	2020-21 Variance
		£0	£0
BRRS – tariff	33,119	31,844	(1,275)
Business Rates levy payment to MHCLG	811	(261)	(1,072)
BRRS - equalisation reserve transfer	(947)	18,324	19,271
	32,983	49,907	16,924
BRates Collection fund deficit	(4,140)	(4,140)	0
BRRS - s31 grant	(1,959)	(18,871)	(16,912)
BRRS - retained income	(34,713)	(34,713)	0
BRRS - net position	(7,829)	(7,817)	12

The Council's current policy is to transfer any gain or loss on business rates to the business rates equalisation reserve to help smooth the volatility in income from business rates under the BRRS and to help us manage the fluctuations in our business rate income that will occur as we carry out our development plans for the town centre.

Housing Revenue Account (HRA)

The Statement of Accounts contains details of the HRA income and expenditure, which is ring-fenced from the General Fund. The HRA outturn report was presented to the Executive on 24 August 2021 and the report is available on the Council's web site.

The table below shows the main variances between the budgeted and actual operating surplus for 2020-21 under the key headings.

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

Housing Revenue Account	2020/21 budget £000	2020/21 Actual £000	Variance £000
Rental Income	(31,051)	(30,894)	157
Other Income	(1,274)	(1,295)	(21)
Total Income	(32,325)	(32,189)	136
Expenditure on Housing services	10,448	11,004	556
Depreciation	5,525	5,686	161
Revaluation	0	(79)	(79)
Other Expenditure	809	(1,196)	(2,005)
Interest Payable / (receivable)	4,544	4,890	346
Surplus for the year	(10,999)	(11,883)	(885)
HRA Balance brought forward	(2,500)	(2,500)	0
Transfer to reserves	10,999	11,883	(885)
Balance carried forward	(2,500)	(2,500)	0

At year end we transferred £2.5 million to the reserve for future capital programmes and £8.5 million to the new build reserve. The surplus on revaluation was transferred to the capital adjustment account in line with the CIPFA code of practice. The HRA working balance at year-end remains at £2.5 million.

Rental income from dwellings was £157,000 (0.5%) below the estimate. The service has seen rent loss due to voids but rent collection levels on occupied property remains good.

Expenditure on housing services was higher than budgeted by £556,000. The budget provides for both planned and responsive repairs, so an element of demand driven cost is inherent in the expenditure. Void units typically incur additional repair and improvement expenditure in order to prepare them for re-letting.

HRA Investment income is £586,000 lower than the estimate due to the risk free rate of investment being at very low levels.

The Council has clearly stated its ambition to increase the number of affordable homes in the borough and work is underway to bring forward a number of development opportunities. A combination of useable one-for-one receipts and capital receipts have been used to finance capital expenditure on the new build programme.

Other Performance during the year

Performance management is a key part of delivering successful services and performance indicators help the Council define and measure progress towards our strategic priorities. Individual service and project managers collect and monitor key performance information. During 2020-21 the Council updated its corporate priorities and re-launched its corporate performance monitoring process. We now make regular quarterly reports to the Corporate Governance and Standards Committee (CGSC) on performance monitoring across a range of indicators that allows the Council to assess its performance against the corporate plan priorities. The final quarterly monitoring report for Quarter 4 2020-21 was reported to the [CGSC](#) in June 2021. 15 of the key corporate performance indicators are benchmarked across the Surrey District Council's. The benchmarking reports are presented to the Surrey Chief Executives group each year. Guildford's performance against the 15 key performance indicators benchmarked across Surrey is as follows:

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

Indicator	Ref	2019-20	2020-21
1. Council Tax Collected	COM10	98.60%	97.53%
2. NNDR Collected	H&J12	97.80%	95.48%
3. Invoices paid on time	COU3	88.37%	84%
4. Processing of 'major' planning applications within 13 weeks (average of 4 quarters)	COU10	97.20%	91.92%
5. Processing of 'minor' planning applications within 8 weeks (average of 4 quarters)	COU11	91.70%	80.33%
6. Appeals dismissed against the Council's refusal of planning permission (average of 4 quarters)	COU13	76.30%	82%
7. Number of Households living in temporary accommodation	COM7	44	35
8. Housing Advice – homelessness prevented (cases resolved)(aggregate of 4 quarters)	COM9	800	174
9. Days taken to process Housing Benefit / Council Tax support claims (average of 4 quarters)	COU5	8 days	11.64
10. Number of affordable homes completed (aggregate of 4 quarters)	H&J4	36	78
11. Food businesses with 'scores on the door' of 3 or over	H&J11	97.20%	98.53%
12. % Household waste recycled and composted	ENV1	59.7%	55.8%
13. Kilograms of residual household waste collected per household from the kerbside (aggregate of 4 quarters)	EMV2	354	393.79
14. Staff sickness absence (all)	COU1	7.7 days	6 days
15. Staff turnover	COU2	14.8%	14.2%

Over recent years, the Council has undertaken a programme of service challenges and senior management restructures. This has reduced our staffing levels as shown in the table below.

Full time equivalent (FTE) number of staff

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Office based staff	502.7	480.4	530.7	490.2	487.8	471.4	471.4	452.6	432.2	412.9
Manual staff	232.2	240.0	182.6	214.8	220.2	228.2	223.1	217.3	212.8	204.9
Total	735.0	720.4	713.4	705.0	708.0	699.6	694.8	670.0	645.0	617.8

Issues affecting the Council's Future

My Chief Finance Officer's report on the 2020-21 Budget, presented to Council in February 2020, is on our website ([CFO report](#)).

This report contains an overview of local government funding, the economic outlook, the Council's corporate plan and their impact on the Council's finances. The report concluded that the Council had a potential funding gap of £3.3 million over the medium-term period to 2023-24. However, since the report was approved there has been a significant change in events arising from the global pandemic Covid-19 and its impact on the UK.

Councils, like Guildford Borough Council, are category one responders under the Civil Contingencies Act 2004, which sets out the legislative framework for responding to emergencies such as the Covid-19

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outbreak. As part of the local resilience forum (LRF), councils work with local partner organisations to plan and activate their emergency responses. LRFs are based on police areas and so Guildford, along with all the other District and Borough Councils, Surrey County Council, Surrey Police, Surrey Fire and Rescue Service and local NHS bodies are all category one members of the Surrey Local Resilience Forum (SLRF). This means that the Council has had a vitally important role in responding locally to Covid-19, to save lives, protect the NHS, and ensure our residents are protected wherever possible. We also have a duty to ensure that crucial council services continue to operate in these unprecedented times. The Council's response to the pandemic has been intense and wide ranging across a number of critical services.

Guildford Borough Council activated both its Borough Emergency Plan (as part of the declaration of a Major Incident in Surrey) and its business continuity plan to ensure we can continue to deliver critical front-line services. Our critical front-line services are:

- Housing & Homelessness Services,
- Waste, Refuse & Recycling,
- Street Cleaning,
- On-street parking management for Highways
- CCTV
- Bereavement Services,
- Emergency Licensing, Food Safety and Pest Control,
- Business Rates, Council Tax and Benefits,
- Emergency planning and response,
- Customers services and communications.

In addition, support services such as HR, Finance and ICT were also required to enable the provision of critical front-line services.

Where possible, other Council services not in the list above e.g., Planning, continued to operate where officers were able to work remotely at home. However, many services operated at reduced levels due to activity levels being lower than normal and the need to redeploy staff to support the emergency response. Some Council services, such as Heritage and Museum services, Spectrum Leisure Centre, Day and Community Centres were forced to close through government legislation. Due to a lack of demand and government guidance, the Council also removed parking charges for a period of 3 months.

In supporting the Emergency response through the LRF, the Council introduced a number of new and enhanced services to support the most vulnerable individuals and communities and to respond to the pandemic emergency. This included:

- Establishing a Surrey wide Community Hub at Spectrum leisure centre on behalf of Surrey County Council to coordinate measures to support vulnerable people in Surrey and 'shield' them from Covid-19,
- Establishing 'Locality Hubs' at Park Barn and Shawfield Day Centres to support our day centre, meals on wheels, sheltered and supported housing clients, and other people self-referred to us as needing help, with food parcels, meals on wheels and welfare calls
- Procuring and placing homeless households and rough sleepers in hotel accommodation and providing meals and food parcels to them
- Procuring and placing people discharged from hospital in suitable accommodation and ensuring they have support and food
- Procuring and placing people discharged from the probation service and prison in suitable accommodation and ensuring they have support and food
- Expanded and scaled up operations at the Crematorium to deal with Excess Deaths
- Providing significant business rate relief and grants to local businesses in line with the government schemes
- Providing hardship funding for Council tax and administering an increase in claimants for the local council tax support scheme

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- Providing general advice to the public and specific advice to individuals suffering hardship as a result of Covid-19

From a Business Continuity perspective, the Council, like many other organisations, has had to rapidly enable officers and Councillors to work from home on a large scale. A significant proportion of the Council's officers are classed as Key Workers and continued to attend their normal places of work and carry out their roles if it was not possible to carry out their jobs from home. However, in order to ensure the safety and health of our staff, we have taken as many precautionary steps as possible to reduce the risk to their health of carrying out their roles. This included closing our offices and enabling officers to work from home en-masse where possible. We have also taken steps to ensure that where staff have to attend a place of work or are providing frontline services to the public, that we are able to implement, as far as possible, social distancing and provide appropriate personal protective equipment where risk assessments have identified a need to do so.

Expenditure in respect of the additional services that the Council has introduced has been shown as 'Exceptional item' within the Council's Income and Expenditure account. The Council has also received some exceptional support grants from the government to offset some of this expenditure which has been shown as Exceptional income. In the Council has seen a material loss of income across fees and charges income within services. This income loss has been partially offset against a £7.5 million 'sales, fees, and charges compensation grant'. The grant income has been apportioned to the relevant services to which the claim for loss of income related and is therefore shown within the service lines within the net cost of services on the income and expenditure account.

The Council has not seen a significant increase in sickness levels as a result of the Covid-19 crisis, this may in part be due to the ability for staff to work from home and so were able to self-isolate effectively.

The Covid-19 crisis has had a significant impact on the financial position of the Council. On 5 May 2020, I reported an emergency budget to Council to inform Councillors of the forecasted potential impact on the Council from the increased costs of service provision and significant reduction in income as a result of a number of services being closed. The main areas of extra costs have been in relation to operator support for the Leisure centre, homelessness and food parcels. The main impact on the Council's income has been a significant reduction in fees and charges income from services, mainly car parking. The Council's investment property income has not seen a significant fall in income. The report is available on our website ([Emergency Budget](#)). Estimates for the financial impact on the Council's general fund were between £5 million and £15 million, with a 'best estimate' of the impact at £8.7 million. The situation was closely monitored through financial monitoring reports to Corporate Governance and Standards committee through the year. The outturn position presented to the committee in August 2021 was within the estimation range and in line with the 'best estimate' however, the assumptions for best estimate and the actual experience were very different. The emergency budget report approved for a supplementary estimate of up to £15 million to be taken from reserves but this would only be drawn down if there was a gap in government funding of the costs and lost income and Officers could not identify cost savings in year to address the shortfall. The report recognised that the scale of the financial impact was such that there was a high risk of being unable to identify sufficient cost savings to mitigate the impact in one year and that some use of reserves would be necessary. The Council's level of reserves at the start of the financial year were sufficient to accommodate the impact of Covid-19 however, there will be a need to rebuild reserves over the course of the medium term financial plan to the minimum level identified in our financial risk register (currently £10 million). As a result, there is no immediate risk to the financial sustainability of the Council.

In addition to the immediate impact on the GF, collection rates for Council Tax and Business Rates are significantly lower for 2020-21 than the rates reported above for 2019-20. This is due to financial hardship of businesses and households in the borough. We saw a growth in claims for Local Council Tax Support during the year. In addition, in order to administer the significant grants and hardship funds that were provided by the government, the Council suspended normal debt recovery activity for accounts which have fallen into arrears for the first 3 months of the year and has entered into revised payment plans on a case by case basis to help those in hardship. For businesses, the Council granted £43 million of business rate

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relief (for which it received a section 31 grant) and also paid grants under a variety of grant schemes to businesses. For many of these grants, the Council acted as an agent for the government and so the income and expenditure on the grant schemes has been accounted for within the Council's balance sheet. Any unspent grant monies which will need to be returned to the government is shown as a receipt in advance in note 19. However, the discretionary grants were grants where the Council acted as principal and made the decisions as to the award criteria. These grants are shown within the exceptional items on the income and expenditure statement and any unspent grant monies at the balance sheet date have been transferred to an earmarked reserve to be used in 2021-22. The section 31 grant in respect of the business rate relief has also been credited to the income and expenditure statement and then transferred to an earmarked reserve to offset the collection fund deficit in 2021-22. Due to the carry forward of unspent grant monies, the Council's reserves look higher than anticipated at the balance sheet date.

Financial Risks

The Council faces many financial risks, which are identified in the financial risk register published as part of the 2020-21 Budget on 5 February 2020 (see [Risk Register](#)). The Financial Risk Register quantifies the risks and demonstrates that the general reserves and those held for risk management purposes are adequate to cover the risks. Whilst the risk register did include anticipation of a Major Event or Civil Incident, it did not quite anticipate the impact of Covid-19.

The major risks are:

1. Financial and economic impact of the Covid-19 Pandemic
2. Financial and economic impact of Brexit
3. Other national economic volatility and the impact on the Council's income streams.
4. Delivery of savings and income.
5. Affordability of Regeneration schemes.
6. Affordability of the Council's Capital Programme.
7. Business rates retention scheme volatility.
8. Fair Funding Review of Local Government Finance.
9. Financial sustainability of Surrey County Council.

Auditors remuneration

Details relating to the remuneration of Auditors of the Council are shown in note 9 to the Statement of Accounts.

Conclusion

The Council has been able to maintain a high level of performance in the delivery of its services during 2020-21, and at the same time maintain its reserves and provisions to a level adequate to meet all known liabilities and invest in transformational change.

There are significant challenges for us in the future, particularly as a result of the Covid-19 Pandemic and Brexit. At the same time the Council has exciting but challenging plans for the regeneration of the town and borough.

The Council is well placed to meet these challenges and has a transformation programme in place to deliver savings for future years.

Peter Vickers
Chief Financial Officer
xx/xx/xx

General Accounting Policies

This section sets out general accounting policies used to prepare the statement of accounts of Guildford Borough Council and its group. Accounting policies that are used to report on specific balances or transactions are set out in the accounting notes for the relevant balance or transaction.

1. General Principles

The Statement of Accounts summarises the Council's transactions for the 2020-21 financial year and its position at the year-end of 31 March 2021. The Accounts and Audit (England) Regulations 2015 require the Council to prepare its annual Statement of Accounts in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2020-21, supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

The accounts have been prepared on a going concern basis on the assumption that the functions of the Council will continue in operational existence for the foreseeable future.

2. Group Accounts

Guildford Borough Council is the ultimate parent of two wholly owned subsidiaries, Guildford Borough Council Holdings Company Limited and North Downs Housing Limited. Both companies have a year end of 31 March. For 2020-21 elements of their financial statements are material to the statement of accounts of the Council. As a result, group accounts have been prepared. This is the second year that the Council has prepared Group Accounts.

3. Accruals of Income and Expenditure (debtors and creditors)

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- revenue from contracts with service recipients, whether for services or for the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet
- expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made
- interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure based on the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract
- where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

The de-minimis for these are £1,000

4. Accounting practice for Council Tax and Business Rates

Guildford Borough Council is a billing authority for council tax and business rates. This means that we:

- act as an agent, collecting council tax and business rates on behalf of the major preceptors (Surrey County Council, Surrey Police and Crime Commissioner and, for business rates only, central government) and

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- as a principal, collecting council tax and business rates for the Council itself.

The Council is required by statute to maintain a separate fund (the Collection Fund) for the collection and distribution of amounts due in respect of council tax and business rates. Under the legislative framework for the Collection Fund, billing authorities, major preceptors and central government share proportionately the risks and rewards that the amount of council tax and business rates collected could be less or more than predicted.

The council tax and business rate income included in the Comprehensive Income and Expenditure Statement (CIES) is the authority's share of accrued income for the year. However, regulations determine the amount of council tax and business rates that must be included in the authority's General Fund. Therefore, the difference between the income included in the CIES and the amount required by regulation to be credited to the General Fund is taken to the Collection Fund Adjustment Account and included as a reconciling item in the Movement in Reserves Statement (MIRS).

The Balance Sheet includes the authority's share of the end of year balances in respect of council tax and business rates relating to arrears, impairment allowances for doubtful debts, overpayments and prepayments and appeals. Where these balances are impaired (because of a likelihood arising from a past event that payments due under the statutory arrangements will not be made) the asset is written down and a charge made to the Taxation and Non-Specific Grant Income line in the CIES. The impairment loss is measured as the difference between the carrying amount and the revised future cash flows.

The Council recognises a creditor in its Balance Sheet for cash collected from taxpayers and businesses on behalf of major preceptors but not yet paid to them, or a debtor for cash paid to major preceptors in advance of receiving the cash from council tax payers and business rate payers.

5. Material Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the CIES or in the notes to the accounts, depending on how significant the items are to an understanding of the Council's financial performance.

6. Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are charged with the following amounts to record the cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the relevant service
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- amortisation of intangible assets attributable to the service.

The Council is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisation. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement equal to an amount calculated by the Council on a prudent basis and determined in accordance with statutory guidance. Depreciation, revaluation and impairment losses and amortisation are therefore replaced by the contribution in the GF Balance, called a Minimum Revenue Provision (MRP), by way of an adjusting transaction with the Capital Adjustment Account in the MIRS for the difference between the two.

7. Events after the Reporting Period

Events after the Reporting Period are those events, both favourable and unfavourable, that occur between the end of the reporting period (31 March 2021) and the date when the Statement of Accounts was authorised for issue by the Chief Financial Officer on 15 October 2021. Two types of events can be identified:

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- those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events
- those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the events and their estimated financial effect.

Only one event came to light after 15 October 2021 that has been reflected in the Statement of Accounts.

8. **Overheads and Support Services**

The costs of overheads and support services are charged to service segments in accordance with the Council's arrangements for accountability and financial performance.

9. **VAT**

Income and expenditure exclude any amounts related to VAT, as all VAT collected is payable to HM Revenue & Customs and all VAT paid is recoverable from it.

10. **Fair Value Measurement**

The Council measures some of its non-financial assets (such as surplus assets and investment properties) and some of its financial assets (such as funds held in money markets) at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The Council measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the value of a non-financial asset, the Council takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Council uses valuation techniques that are appropriate to the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Council's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at the measurement date
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 – unobservable inputs for the asset or liability.

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

Comprehensive Income and Expenditure Statement (CIES)

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation or rents. Authorities raise taxation and rents to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis (EFA) and the Movement in Reserves Statement (MIRS).

		2019-20					2020-21	
Gross Expenditure	Gross Income	Net Expenditure		Notes	Gross Expenditure	Gross Income	Net Expenditure	
£000	£000	£000	Directorate		£000	£000	£000	
26,551	(1,846)	24,705	Strategy		22,467	(1,623)	20,844	
78,780	(57,479)	21,300	Services		75,242	(50,976)	24,266	
3,669	(182)	3,487	Resources		11,650	(200)	11,450	
23,603	(32,250)	(8,647)	Housing Revenue Account		16,270	(32,013)	(15,743)	
0	0	0	COVID expenditure		7,466	(6,359)	1,107	
132,603	(91,758)	40,845	Cost of Services		133,095	(91,172)	41,924	
		6,202	Other operating expenditure	3			364	
		2,815	Financing and investment income and expenditure	4			(1,311)	
		(25,904)	Taxation and non-specific grant income	5			(25,011)	
		23,958	(Surplus) / Deficit on Provision of Services				15,965	
		(9,185)	(Surplus) / Deficit on revaluation of Property, Plant and Equipment assets	23			(13,492)	
		(11,489)	Remeasurements of the net defined benefit liability	23			29,493	
		(20,673)	Other Comprehensive Income and Expenditure				16,001	
		3,285	Total Comprehensive Income and Expenditure				31,966	

The internal structure of the Council changed in 2020-21 and as such the 2019-20 figures across directorates have been restated to reflect the new structure as required under the Accounting Code of Practice.

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

Movement In Reserves (MIRS)

This statement shows the movement in the year on the different reserves held by the Council, analysed into 'usable reserves' (those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The Statement shows how the movements in year of the Council's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax or rents for the year. The net increase / (decrease) line shows the statutory General Fund (GF) Balance and Housing Revenue Account (HRA) balance movements in the year following those adjustments.

	General Fund Balance £000	Housing Revenue Account £000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Contributions Unapplied £000	Total Useable Reserves £000	Unusable Reserves £000	Total Reserves £000
2020-21								
Balance at 31 March 2020	47,741	94,345	13,931	9,853	560	166,429	524,894	691,323
Movement in Reserves during 2020-21								
Total Comprehensive Income and Expenditure	(28,240)	12,275	0	0	0	(15,965)	(16,001)	(31,966)
Adjustments between accounting basis & funding basis under regulations (Note 22)	37,864	(6,113)	(5,030)	2,025	176	28,922	(28,922)	0
Increase/(decrease) in 2020-21	9,624	6,162	(5,030)	2,025	176	12,957	(44,923)	(31,966)
Balance at 31 March 2021 carried forward	57,365	100,507	8,901	11,878	736	179,386	479,970	659,357
2019-20								
Balance at 31 March 2019	48,113	86,418	20,519	9,235	690	164,974	529,635	694,609
Movement in Reserves during 2019-20								
Total Comprehensive Income and Expenditure	(27,831)	3,872	0	0	0	(23,959)	20,673	(3,286)
Adjustments between accounting basis & funding basis under regulations (Note 22)	27,458	4,055	(6,588)	618	(130)	25,414	(25,414)	(0)
Increase/(decrease) in 2019-20	(372)	7,927	(6,588)	618	(130)	1,455	(4,741)	(3,286)
Balance at 31 March 2020 carried forward	47,741	94,345	13,931	9,853	560	166,429	524,894	691,323

Agenda item number: 7
Appendix 1

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21**Balance Sheet**

The Balance Sheet shows the value as at 31 March of the assets and liabilities recognised by the Council. Net assets of the Council (assets less liabilities) match the reserves, and are reported in two categories:

- usable reserves - those the Council may use these to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt), and
- unusable reserves - those the Council are not able to use these to provide services. This category includes reserves that:
 - hold unrealised gains and losses (e.g. the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and
 - reserves that hold timing differences shown in the MIRS line '*Adjustments between accounting basis and funding basis under regulations*'.

31 March 2020		Notes	31 March 2021
£000			£000
780,797	Property, Plant & Equipment	12	789,264
3,575	Heritage Assets	13	3,762
153,413	Investment Property	14	159,108
2,299	Intangible Assets	15	2,857
42,170	Long-term Investments	29	32,148
8,717	Long-term Debtors	29	12,789
990,971	Long Term Assets		999,928
59,189	Short-term Investments	29	93,253
431	Assets held for sale	16	0
439	Inventories		381
13,071	Short Term Debtors	17	52,264
14,633	Cash and Cash Equivalents	18	40,655
87,763	Current Assets		186,553
(44,492)	Short Term Borrowing	29	(163,772)
(33,158)	Short Term Creditors	19	(66,699)
(3,758)	Provisions	20	(5,959)
(81,408)	Current Liabilities		(236,430)
(192,435)	Long Term Borrowing	29	(147,435)
(113,567)	Other: Pension Fund	26	(143,258)
(306,002)	Long Term Liabilities		(290,693)
691,324	Net Assets		659,358
166,429	Usable Reserves	MIRS	179,386
524,895	Unusable Reserves	23	479,971
691,324	Total Reserves		659,358

Peter Vickers
Chief Financial Officer
xx/xx/xx

Cash Flow Statement

The Cash Flow Statement shows how the Council generates, uses and the changes in cash and cash equivalents of the Council during the reporting period.

Cash flows are classified as operating, investing and financing activities.

- the amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the Council.
- investing activities represent the extent to which cash outflows have been made for resources that are intended to contribute to the Council's future service delivery.
- cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (that is borrowing) to the Council.

The cash flow statement shows cash and cash equivalents net of bank overdrafts that are repayable on demand and form an integral part of the Councils cash management.

2019-20		2020-21
£000		£000
	OPERATING ACTIVITIES	
(23,959)	Net surplus/(deficit) on the provision of services	(15,966)
63,063	Adjustments for non-cash movements (Note 21)	(918)
(21,736)	Adjustments for items included in the net surplus that are investing and financing activities (Note 21)	(13,406)
17,368	Net cash flows from Operating Activities	(30,290)
	INVESTING ACTIVITIES	
(35,755)	Payments for additions to long term assets	(23,462)
(79,255)	Payments for purchase of investments	(109,401)
(3,566)	Other payments for investing activities	(1,973)
15,753	Proceeds from the disposal of long term assets	4,559
60,127	Proceeds from disposal of investments	85,164
7,667	Other receipts from investing activities	10,038
(35,029)	Net cash flows from Investing Activities	(35,075)
	FINANCING ACTIVITIES	
72,000	Cash receipts of short and long-term borrowing	191,000
(4,653)	Other payments from financing activities	17,132
(48,236)	Repayments of short and long-term borrowing	(116,746)
19,111	Net cash flows from financing activities	91,386
1,450	Net increase/(decrease) in cash and cash equivalents	26,021
13,184	Cash and cash equivalents at the beginning of the reporting period	14,634
14,634	Cash and cash equivalents at the end of the reporting period (Note 18)	40,655

Notes To The Accounts

1a). Expenditure And Funding Analysis (EFA)

The EFA shows how the Council's annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) in comparison with those resources the Council consumes or earns in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision-making purposes between the Council's Directorates.

- Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the CIES and the Housing Revenue Account (HRA).
- The split of the balance between the General Fund (GF) and the Housing Revenue Account (HRA) is set out in the MIRS.

2019-20			2020-21			
Net Expenditure Chargeable to the GF and HRA Balances	Adjustments between Funding and Accounting Basis	Net Expenditure in the CIES		Net Expenditure Chargeable to the GF and HRA Balances	Adjustments between Funding and Accounting Basis	Net Expenditure in the CIES
£000	£000	£000		£000	£000	£000
9,113	15,591	24,705	Strategy	5,530	15,314	20,844
9,049	12,251	21,300	Services	10,272	13,994	24,266
1,448	2,039	3,487	Resources	15,984	(4,534)	11,450
(20,636)	11,989	(8,647)	Housing Revenue Account	(21,824)	6,081	(15,743)
0	0	0	Covid Grants	1,107	0	1,107
(1,026)	41,871	40,845	Cost of Services	11,070	30,855	41,924
(6,530)	(10,357)	(16,887)	Other income and expenditure	(26,854)	895	(25,960)
(7,556)	31,514	23,958	(Surplus) / deficit	(15,785)	31,750	15,965

Net Expenditure Chargeable to the GF and HRA balances is as reported to Management throughout the year except that:

- it excludes depreciation, which is included as an adjustment between funding and accounting basis
- net income relating to investment property £5.5 million, which reports to Strategy, is included in Other income and expenditure in accordance with generally accepted accounting practices

The other adjustments between accounting and funding basis are not reported to Management during the year but are included in the final year-end outturn report to Corporate Management Team, Corporate Governance and Standards Committee (CGSC) and the Executive.

1b). Notes To The Expenditure and Funding Analysis

Adjustments between Funding and Accounting Basis				
				2020-21
Adjustments from GF to arrive at the CIES amounts	Adjustments for Capital Purposes (Note 1)	Net change for the Pensions Adjustments (Note 2)	Other differences (Note 3)	Total Adjustments
	£000	£000	£000	£000
Strategy	1,980	593	12,741	15,314
Services	9,880	3,271	844	13,994
Resources	306	(6,793)	1,953	(4,534)
Housing Revenue Account	5,512	473	96	6,081
Covid Grants				0
Cost of Services	17,678	(2,456)	15,634	30,856
Other income and expenditure from the EFA	(19,250)	2,654	17,491	895
Difference between GF surplus and CIES surplus on the Provision of Services	(1,572)	198	33,125	31,751

Adjustments between Funding and Accounting Basis				
				2019-20
Adjustments from GF to arrive at the CIES amounts	Adjustments for Capital Purposes (Note 1)	Net change for the Pensions Adjustments (Note 2)	Other differences (Note 3)	Total Adjustments
	£000	£000	£000	£000
Strategy	2,082	168	13,341	15,591
Services	6,896	4,153	1,202	12,251
Resources	376	1,175	488	2,039
Housing Revenue Account	11,175	714	100	11,989
Cost of Services	20,529	6,210	15,132	41,871
Other income and expenditure from the EFA	(10,202)	2,863	(3,018)	(10,357)
Difference between GF surplus and CIES surplus on the Provision of Services	10,327	9,073	12,114	31,514

Note 1 - Adjustments for Capital Purposes

Adds in depreciation and revaluation gains and losses in the services line, and for:

Other operating expenditure	adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets
Financing and Investment income and expenditure	the statutory charges for capital financing i.e. Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices
Taxation and non-specific grant income and expenditure	capital grants and contributions are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants and contributions are adjusted from those receivables in the year to those receivables without conditions or for which conditions were satisfied

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

	throughout the year. The Taxation and Non-Specific Grant Income and Expenditure line is credited with capital grants and contributions receivable in the year without conditions or for which conditions were satisfied in the year
--	---

Note 2 – Net change for the Pensions adjustments

This column shows the net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

- **For services** this represents the removal of the employer pension contributions made by the Council as allowed by statute and the replacement with current service costs and past service costs.
- **For Financing and investment income and expenditure** – the net interest on the defined benefit liability is charged to the CIES.

Note 3 – Other differences

This column adds in the amortisation of intangible software assets and revenue expenditure funded from capital under statute in the services line, and for:

Other operating expenditure	adds in the payment to the government Housing Capital Receipts Pool
Financing and Investment income and expenditure	the statutory transfer of the amount equal to the total depreciation charge for all HRA assets to the Major Repairs Reserve is deducted from other income and expenditure as this is not chargeable under generally accepted accounting practices
Taxation and non-specific grant income and expenditure	the charge represents the difference between what is chargeable under statutory regulations for council tax and business rates that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund

1c). Segmental Income

Revenues received from external customers on a segmental basis (ie how the Council is structured) is analysed below:

Segmental income:		
2019-20		2020-21
£000	Services	£000
9,932	Strategy	1,623
26,616	Services	50,976
295	Resources	200
	COVID expenditure	6,359
31,015	Housing Revenue Account	32,013
67,858	Total Income from services	91,171

2. Expenditure And Income Analysed By Nature

The Council's expenditure and income is analysed as follows:

2019-20 re-stated		2020-21
£000	Expenditure/Income	£000
	Expenditure	
40,403	Employee benefits expenses	39,713
72,198	Other services expenses	61,494
23,231	Depreciation, amortisation, revaluation gains and losses	33,900
8,632	Interest payments	7,934
1,741	Precepts and levies	1,877
2,738	Payments to Housing Capital Receipts Pool	687
1,483	IFRS statutory adjustment	(921)
1,723	(Gain) / loss on the disposal of assets	(2,185)
152,148	Total Expenditure	142,499
	Income	
62,304	Fees, charges and other service income	48,795
10,528	Interest and investment income	10,351
14,124	Income from council tax and non-domestic rates	(4,382)
41,234	Government grants and contributions	71,770
128,190	Total Income	126,534
23,958	(Surplus)/Deficit on the Provision of Services	15,965

3. Other Operating Expenditure

2019-20		2020-21
£000		£000
1,741	Parish council precepts	1,877
2,738	Payments to the government Housing Capital Receipts Pool	687
1,723	(Gains) / losses on the disposal of non-current assets	(2,201)
6,202		364

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21**4. Financing And Investment Income and Expenditure**

2019-20		2020-21
£000		£000
5,769	Interest payable and similar charges	5,280
2,863	Net interest on the net defined benefit liability (Note 26)	2,654
(2,145)	Interest receivable and similar income	(2,447)
1,483	Increase / Decrease in fair value of investments	(921)
(5,154)	Net income and expenditure in relation to investment properties and changes in their fair value	(5,877)
2,815		(1,311)

More detail in relation to investment property is provided in note 14.

5. Taxation and Non-Specific Income Grant

This table shows grants received in year from Council Tax, Business Rates, and other grants.

2019-20		2020-21
£000		£000
(11,612)	Council tax income	(11,774)
(2,512)	Business rates income and expenditure	16,156
0	Covid Grants	
(3,490)	Non-ringfenced government grants	(20,549)
(8,290)	Capital grants and contributions	(8,844)
(25,905)		(25,011)

The Business rates income and expenditure line above includes the following:

2019-20		2020-21
£000		£000
31,333	Tariff	31,844
(11)	Contr from NDR pool	0
1,383	Levy	(261)
(35,217)	Retained income	(15,427)
(2,512)		16,156

6. Prior Period Restatements

The Council has been involved in the construction of a new access road of approximately 0.5km in length that will continue beyond the eastern extent of the existing roads of the Slyfield Industrial Estate. The new road will provide future access for the re-development of the land east to the estate; known as the Weyside Urban Village (WUV). The road when complete will be transferred to Surrey County Council. A review of assets during the audit led to the reclassification of this property from other land and buildings to assets under construction as it is not yet complete. The previous year has been re-stated for comparative purposes.

	Net book Value		31 March 2020
	1 April 2019	Movement	
	£'000	£'000	£'000
Infrastructure	11,757	(8,279)	3,478
Assets Under Construction	20,829	8,279	29,108
	32,586	0	32,586

7. Councillors' Allowances

This shows the amounts paid to Councillors in the year. The amount paid to each councillor is published on the Council's website, at

<https://www.guildford.gov.uk/article/18872/Councillors-allowances>

2019-20		2020-21
£		£
334,736	Basic Allowance	353,398
102,124	Special Responsibility Allowance	113,470
4,453	Mileage and Subsistence	45
441,313		466,913

8. Officers' Remuneration

The following table sets out the remuneration of the council's senior employees for 2020-21. The term 'senior employee' is defined by the Accounts and Audit Regulations 2015 (the 2015 Regulations) as:

- an employee whose salary is £150,000 per year; or
- an employee whose salary is £50,000 or more per year (to be calculated pro rata if employed for fewer than the usual full-time hours) and whose post or role meets certain criteria set out in the 2015 Regulations.

Postholder	Note		Salaries, fees and Allowances	Other non salary payments	Expenses allowances	Termination payments	Pension contribution	Car lease / other benefits	Total
Managing Director		2020-21	136,131	-	1,797	-	22,938	7,389	168,255
		2019-20	132,302	4,553	1,774	-	20,665	9,776	169,070
Director of Environment (to 30/06/20)		2020-21	24,878	815	445	97,329	3,989	1,077	128,533
		2019-20	98,338	217	1,074	-	14,849	6,168	120,647
Director of Service Delivery (from 22/06/20)		2020-21	79,734	-	3,822	-	13,714	465	97,735
		2019-20	-	-	-	-	-	-	-
Director of Community Services		2020-21	-	-	-	-	-	-	-
		2019-20	76,760	738	3,874	118,105	11,591	639	211,707
Director of Resources (s151 officer)		2020-21	98,929	-	3,883	-	16,686	570	120,068
		2019-20	91,709	836	4,904	-	13,746	570	111,765
Director of Strategy (to 15/09/20)		2020-21	46,695	-	2,255	95,000	7,678	-	151,628
		2019-20	98,338	-	4,904	-	14,849	-	118,091
Director of Strategy (from 04/01/21)		2020-21	24,353	-	1,193	-	4,189	-	29,735
		2019-20	-	-	-	-	-	-	-
Audit and Performance Manager		2020-21	69,644	1,239	3,149	-	4,683	-	78,714
		2019-20	66,765	884	3,140	-	10,082	-	80,870

The Council's other employees receiving more than £50,000 remuneration for the year, which includes termination payments but excludes employer's pension contributions, were paid the following amounts:

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Remuneration Band	2020-21	2019-20
	Number of Employees	Number of Employees
£50,000 - £54,999	32	26
£55,000 - £59,999	11	10
£60,000 - £64,999	10	11
£65,000 - £69,999	8	7
£70,000 - £74,999	8	5
£75,000 - £79,999	4	6
£80,000 - £84,999	3	5
£85,000 - £89,999	2	4
£90,000 - £94,999	0	0
£95,000 - £99,999	1	0
>£100,000	1	0

Benefits Payable during Employment

Short-term (<12 months) employee benefits include wages and salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits (for example cars). These are recognised in the year in which employees provide service to the council and charged to the service line in the CIES.

An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year-end and which employees can carry forward into the next financial year. It is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the MIRS so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy. They are charged on an accruals basis to the appropriate service in the CIES at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the GF Balance to be charged with the amount payable by the Council, not the amount calculated according to the relevant accounting standards. Notional amounts for pension enhancement termination benefits are reversed in the MIRS and replaced with the cash paid and payable but not yet paid in the year.

The numbers of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the following table:

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Exit Package cost	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
							£	£
£0 - £20,000	12	2	4	0	16	2	142,684	31,310
£20,001 - £40,000	14	7	2	2	16	9	457,595	263,632
£40,001 - £60,000	13	8	0	3	13	11	629,174	524,811
£60,001 - £80,000	4	1	0	0	4	1	272,375	67,537
£80,001 - £100,000	3	3	2	0	5	3	451,361	273,283
£100,001 - £150,000	1	5	0	0	1	5	108,855	608,627
	47	26	8	5	55	31	2,062,044	1,769,200
Less: amounts included above provided for in previous years							(498,750)	-
Add: Amounts provided for in CIES not included in bandings							-	-
Total cost included in CIES							1,563,294	1,769,200

Payments shown in respect of redundancies include both redundancy payments and additional amounts paid to the Pension Fund, where applicable.

Payments made in respect of other departures agreed include voluntary redundancies, contractual obligations and discretionary payments, relating to people who have left the Council's employment in the interests of efficiency of the service.

9. External Audit Cost

The Council has incurred the following costs in relation to the audit of the Statement of Accounts, certification of grant claims and statutory inspections and to non-audit services provided by the Council's external auditors Grant Thornton UK LLP:

2019-20		2020-21
£'000		£'000
67	External audit services carried out by the appointed auditor for the year	80
29	Certification of grant claims and returns	21
15	Other services	0
111	Total	101

10. Grant Income

Government grants, third party contributions and donations are recognised as due to the Council when it is reasonable to conclude that:

- the Council will comply with the conditions attached to the payments, and
- the grants or contributions will be received

Amounts are recognised credited to the CIES when conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset in the form of the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Where conditions have not been satisfied, grants and contributions are carried in the Balance Sheet as creditors. When conditions are satisfied grants and contributions are credited to the CIES:

- attributable revenue grants and contributions are credited to the relevant service line
- non-ring-fenced revenue grants and all capital grants are credited to Taxation and Non-Specific Grant Income.

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Where capital grants and contributions are credited to the CIES, they are reversed out of the GF Balance in the MIRS. Where a contribution has yet to be used to finance capital expenditure, it is posted to the Capital Contributions Unapplied reserve. Where a grant or contribution has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Contributions Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

Where it is uncertain whether a grant or contribution will be used for capital or revenue purposes, the grant will be credited to an earmarked reserve.

The Council credited the following grants, contributions and donations to the CIES.

2019-20		2020-21
£'000		£'000
	Credited to Taxation and Non Specific Grant Income	
	Collection Fund (NDR and Council Tax)	
	<u>Non-ringfenced government grants</u>	
1,039	New Homes Bonus	851
2,425	Business Rates & Council Tax s31 grant	18,871
0	Transition grant	8
26	New Burdens grants	2
0	Other	817
8,290	Capital grants and contributions	8,844
11,780	Total	29,393
	Credited to Services	
15,766	Housing Benefit Rent Allowance subsidy	14,005
11,779	Housing Benefit Rent Rebate subsidy	11,099
454	Housing Benefit Administration	660
213	Supporting People Grant	203
408	Day care and other social services	479
9	Business Rate Collection	459
	Sales Fees and Charges	7,591
	ARG discretionary	2,582
	Local Discretionary Grant Fund	1,112
0	Covid grants	689
	Covid support	1,977
826	Other	1,521
29,454	Total	42,377
41,234	Total Grants	71,770

Government grants and Financial Support for COVID-19

As part of the Government’s response to the COVID-19 Pandemic the Council has received the following exceptional support grants during 2020-21:

Grant	Description	Amount Received
		2020-21 £0
General Grant for LA functions	Towards costs incurred in relation to Covid-19	£1,977,000
Business Rates Reconciliation Grant	Compensation from government paid for granting businesses business rate relief as announced by government in 2020-21	£108,009
Council Tax Discount for Family Annexes	Council tax discount on an annexe lived in by a family member	£25,888
Sales, fees and charges compensation scheme	Compensation for irrecoverable and unavoidable losses from sales, fees and charges income generated in the delivery of services in 2020-21	£7,591,413
Covid hardship fund 2020-21	Grant funding to support economically vulnerable people and households in the borough	£469,380
New Burdens Covid grant	Delivery costs associated with grants to	£58,500
LA Emergency Assist (Via SCC)	Emergency and assistance grant to be used for the people of Guildford for food and essential supplies	£78,789
CEV (via SCC)	Funding to support the Clinically Extremely Vulnerable people to take extra care shielding measures to protect themselves.	£232,959
Compliance & Enforce	Support for a range of additional compliance and enforcement activity to support communities comply with guidelines.	£42,185
COMF (via SCC)	Funding to help reduce the spread of coronavirus and support local public health.	£320,740
Rough Sleeper	Supports delivery of the commitment set out in the Government’s rough sleeping strategy.	£13,892
TOTAL		£10,918,755
Grants in Support of Local Businesses acting as principle		
Grant	Description	Amount Received 2020-21 £0
Local Discretionary Grant Fund	The local discretionary grant is aimed at businesses who - are not eligible for other funds such as the Small Business Grant and the Retail, Leisure and Hospitality fund	£1,111,500
Additional Restrictions Grant	Support to businesses that were ineligible for the Local restrictions support grant as determined by the Council’s local scheme.	£2,582,000
Total		£3,693,500
Grants in Support of Local Businesses acting as agent		
Grant	Description	Amount Received 2020-21 £0
Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund	Support to eligible businesses as announced by Government	£22,242,250
LRSG (Closed)	Business support packages during lockdown	£829,033
LRSG (closed Adden.)	Business support packages during lockdown	£5,882,349
CBLP (Closed business lockdown)	Business support packages during lockdown	£4,447,000
CSP	Support as part of a wider set of measures to support the nations economy and businesses in response to coronavirus.	£26,000
Test and Trace	Support to people on low incomes who have been told to self-isolate who are unable to work from home and will lose income as a result.	£89,500
DWP resources	Support for businesses	£19,219
LRSG (open)	Business support packages during lockdown	£56,120
TOTAL		£33,591,471
TOTAL COVID GRANTS		£48,203,726

This table is a summary of the Covid Grants received:

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Grant	Gross Inc £'000	Gross Exp £'000	Net Inc £'000
ARG discretionary	(2,582)	2,580	(2)
Local Discretionary Grant Fund	(1,112)	1,112	0
Compensation for lost income	(7,591)		(7,591)
Covid Support	(1,977)	3,259	1,282
Other Covid grants	(1,351)	656	(695)
Total Grants as principle	(14,613)	7,607	(7,006)
Grants where the Council Acted as an agent	(33,587)	33,241	(346)
Total Covid Grants	(48,200)	40,848	(7,352)

11. Movements in Earmarked Reserves

The Council sets aside specific amounts from the GF and HRA as Earmarked Reserves for future policy purposes or to cover contingencies.

- Earmarked Reserves are created by appropriating amounts out of the GF or HRA in the MIRS. When expenditure to be financed from a reserve is incurred, it is charged to the relevant service in that year in the CIES. The expenditure is then appropriated back into the GF or HRA in the MIRS.

This note sets out:

- the amounts set aside from the GF and HRA balances in earmarked reserves to provide financing for future expenditure plans and
- the amounts posted back from earmarked reserves to meet GF and HRA expenditure.

	Balance at 31 March 2020 £000	Transfers In 2020-21 £000	Transfers Out 2020-21 £000	Balance at 31 March 2021 £000
General fund:				
Interest Rate Movements	1,197	-	-	1,197
New Homes Bonus	3,490	851	3,595	746
Carried Forward Items	1,654	-	828	826
Invest to Save	4,266	250	2,096	2,420
Spectrum	1,823	189	-	2,012
Car Parks Maintenance	4,236	650	1,319	3,567
Park & Ride	1,650	-	-	1,650
Business Rates equalisation	5,716	26,469	9,425	22,760
Special Protection Areas (SPA) sites	9,768	472	47	10,193
Budget Pressures	1,754	-	1,637	117
BR Covid discount	-	818	-	818
Other reserves	8,343	2,036	3,160	7,220
GF Total	43,897	31,735	22,107	53,526
HRA:				
Capital Programme	35,829	2,500	-	38,329
New Build	56,114	8,477	4,818	59,773
HRA Total	91,943	10,587	4,818	98,102
Overall total	135,840	42,322	26,925	151,238

Reserve	Purpose of reserve
Budget pressures	Set up to allow us to manage the budget reduction required over the next five years
Business rates equalisation	To be used as appropriate to smooth out the effects of the Business Rates Retention Scheme, including those related to regeneration projects
BR Covid Discount	This holds the grants received from government not yet allocated out to businesses in respect of COVID.
Capital schemes	Available to fund GF capital expenditure in future years
Car parks maintenance	Used to fund repairs, maintenance and improvements in the Council's off street car parks
Invest to save	This reserve funds investment opportunities that will allow us to achieve ongoing savings, and short term increases in revenue costs during periods of transition
IT renewals	Receives repayments from services to fund expenditure as set out in the Council's Information and Communication Technology (ICT) strategy
New homes bonus	New Homes Bonus is a general grant that we receive from the UK government. It is not ring-fenced for any specific purpose
Park and ride	This reserve will be used to fund future park and ride sites
Special Protection Area (SPA) sites	Set up to hold s106 income received in relation to various SPA sites
Spectrum	This reserve is available to finance structural repairs and improvements to Spectrum Leisure Centre
Other	Consists of reserves with balances of less than £1 million, which have been earmarked for a range of different purposes e.g. insurance, pensions, protection from interest rate movements, legal actions, and energy management schemes
HRA capital programme	Available to fund HRA capital expenditure in future years
HRA new build	To fund the building and acquisition of new Council homes

12. Property, Plant And Equipment (PP&E)

Definition

Assets that have physical substance and are held for use in the production or supply of goods or services or for administrative purposes and that are expected to be used for more than one financial year.

Recognition

Expenditure on the acquisition, creation or enhancement of PP&E is capitalised if it is probable that the item of PP&E will generate future economic benefits and/or service potential.

Expenditure that does not enhance an asset such as repairs and maintenance expenditure is not capitalised and is charged to the CIES as an expense when it is incurred.

Measurement

PP&E assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- the initial estimate of any future decommissioning costs that will be necessary such as

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dismantling an item or restoring a site upon which the asset it is located.

Assets are then carried in the Balance Sheet using the following measurement bases:

- infrastructure, community assets and assets under construction - historical cost (depreciated as appropriate)
- council dwellings - current value, determined using the existing use value for social housing
- surplus assets – current value, determined using fair value, estimated at highest and best use from a market participant's perspective
- all other assets – current value, determined as the amount that would be paid for the asset in its existing use.

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost is used as an estimate.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every five years.

Increases in valuations are credited to the Revaluation Reserve unless there has been a previous reduction in valuation that has been charged to the Surplus or Deficit on Provision of Services line in the CIES. Where such a charge has been made, the increase in valuation is credited to the Surplus or Deficit on Provision of Services (up to the amount that had previously been charged).

Decreases in value are charged:

- to the Revaluation Reserve, where there is a balance in the Revaluation Reserve of revaluation gains for the asset
- where there is no balance in the Revaluation Reserve or an insufficient balance, to the relevant service line(s) in the CIES.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains and losses that arose prior to 1 April 2007 have been transferred to the Capital Adjustment Account.

Revaluations

The Council carries out a rolling programme that ensures that all PP&E required to be measured at current value is revalued at least every five years. All of our council dwellings and a proportion of our other operational properties were revalued by the Valuation Office Agency and Bruton Knowles Limited, chartered surveyors, in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. Council dwellings were revalued as at 31 March 2021 and other property as at 1 January 2021. The assets were inspected between October 2020 and March 2021 and the valuer assumed, where relevant, that the properties valued will continue to be in the occupation of the Council for the foreseeable future having regard to the prospect and viability of the continuance of that occupation.

Properties regarded by the Council as operational were valued on the basis of open market value for the existing use or, where this could not be assessed because there was no market for the subject asset, the depreciated replacement cost.

Any property, regarded by the Council as surplus and therefore non-operational, is valued at fair value, based on the market approach using current market conditions and recent sales

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prices and other relevant information for similar assets in the local area. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the property being categorised at Level 2 in the fair value hierarchy.

All assets of the same type, e.g. car parks, are generally revalued together in one year. We check that there are no material trends in the revaluations that should be applied to any of our other assets.

The sources of information and assumptions made in producing the various valuations are set out in a valuation certificate and report, which also provides assurance that the valuer has reviewed the balance sheet values of the remainder of the Council's property portfolio to give assurance that no class of assets is materially misstated.

The valuation figures incorporated in the accounts are the aggregate of separate valuations of parts of the portfolio, not an apportioned valuation of the portfolio valued as a whole.

The following statement shows the progress of the Council's rolling programme for the revaluation of PP&E assets:

	Council Dwellings	Other Land and Buildings	Vehicles, Plant, Furniture & Equipment	Surplus Assets	Total
	£000	£000	£000	£000	£000
Carried at historical cost	1,708	11,637	30,646	-	43,991
Valued at current value as at:					
31-Mar-21	518,409	148,083	-	-	666,492
31-Mar-20	5,067	19,573	-	-	24,640
31-Mar-19	-	36,547	-	-	36,547
31-Mar-18	-	16,223	-	125	16,348
31-Mar-17	-	5,818	-	-	5,818
Total Cost or Valuation	525,184	237,881	30,646	125	793,836

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

- Where impairment losses are identified
 - they are charged to the Revaluation Reserve, where there is a balance in the Revaluation Reserve of revaluation gains for the asset
 - where there is no balance in the Revaluation Reserve or an insufficient balance, to the relevant service line(s) in the CIES.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the CIES, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell and is no longer subject to a depreciation charge. Gains in fair value are recognised only up to the amount of any

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previously recognised losses.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of:

- their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as held for sale, and
- their recoverable amount at the date of the decision not to sell.

When an asset is disposed of (or decommissioned), the carrying amount of the asset in the Balance Sheet (whether PP&E or Assets Held for Sale) is written off to the CIES as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the CIES also as part of the gain or loss on disposal (that is netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation reserve are transferred to the Capital Adjustment Account.

Disposal proceeds in excess of £10,000 are categorised as capital receipts. A proportion of receipts relating to housing disposals, net of statutory deductions and allowances, is payable to the Government. The balance of receipts is required to be credited to the Capital Receipts Reserve and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the reserve from the GF Balance in the MIRS.

The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the GF Balance in the MIRS.

Depreciation

Depreciation is provided for on PP&E assets that are available for use by charging their depreciable amounts over their useful lives on a straight-line basis.

- Assets that do not have a determinable finite useful life (such as freehold land) and assets that are in the course of construction (and therefore not yet available for use) are not depreciated.
- Where an item of PP&E has major components where the cost is significant in relation to the total cost of the item, and where it is necessary to ensure materially correct depreciation charges, the components are depreciated separately. The Council's policy is to consider for componentisation all assets (excluding land) with a value greater than £1 million and where the component(s) comprise more than 20% of the value of the asset.
- Revaluation gains are depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation reserve to the Capital Adjustment Account.

The following useful lives have been used in the calculation of depreciation:

- Council Dwellings – 60 years
- Other Land and Buildings – 5 to 60 years (as estimated by the valuer)
- Vehicles, Plant, Furniture and Equipment – 3 to 30 years (as advised by a suitably qualified officer)

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- Infrastructure – 5 to 60 years (as advised by a suitably qualified officer)

Assets under construction

Assets that are transferred to under construction in year, may carry a depreciation charge in the year of transfer for the time it was an operational asset.

Depreciation will not be chargeable while assets are under construction

When assets are constructed, they will be moved to their relevant category, and will then start to be depreciated. These assets will be revalued the year after they become operational.

Movement in 2020-21:	Council dwellings £000	Other land and buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Surplus assets £000	Assets under Construction £000	Total Property, Plant and Equipment £000
Cost or Valuation								
At 1 April 2020	510,110	231,727	27,508	8,420	6,053	125	30,260	814,203
Additions	9,470	429	3,600	414	1,715	-	831	16,459
Disposals	(1,891)	-	(462)	-	-	-	-	(2,353)
Accumulated depreciation written off to cost or valuation	(5,546)	(4,416)	-	-	-	-	-	(9,962)
Revaluations recognised in the revaluation reserve	12,892	246	-	-	-	-	-	13,138
Revaluations recognised in the surplus on provision of services	150	(3,657)	-	-	-	-	-	(3,507)
Transfers	-	12,542	-	-	-	-	(14,448)	(1,906)
At 31 March 2021	525,185	236,871	30,646	8,834	7,768	125	16,643	826,072
Accumulated Depreciation								
At 1 April 2020	3	6,452	20,824	4,942	44	6	1,152	33,423
Charge for 2020-21	5,589	5,786	2,201	196	1	2	-	13,775
Disposals	(14)	-	(396)	-	-	-	-	(410)
Revaluations	(5,546)	(4,416)	-	-	-	-	-	(9,962)
Transfers	-	42	-	-	-	-	(42)	-
At 31 March 2021	32	7,864	22,629	5,138	45	8	1,110	36,826
Net book Value								
As at 31 March 2021	525,153	229,007	8,017	3,696	7,723	117	15,533	789,246
as at 31 March 2020	510,107	225,275	6,684	3,478	6,009	119	29,108	780,780

The prior year comparison is in the table below:

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Movement in 2019-20 re-stated:	Council dwellings £000	Other land and buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Surplus assets £000	Assets under Construction £000	Total Property, Plant and Equipment £000
Cost or Valuation								
At 1 April 2019	504,604	236,252	26,672	7,769	4,583	125	18,086	798,091
Additions	7,173	1,301	1,049	651	-	-	18,167	28,341
Disposals	(3,651)	-	(213)	-	-	-	-	(3,864)
Accumulated depreciation written off to cost or valuation	(6,442)	(4,822)	-	-	-	-	-	(11,264)
Revaluations recognised in the revaluation reserve	8,331	718	-	-	-	-	135	9,184
Revaluations recognised in the surplus on provision of services	(5,779)	(1,221)	-	-	-	-	-	(7,000)
Transfers	5,874	(501)	-	-	1,470	-	(6,128)	715
At 31 March 2020	510,110	231,727	27,508	8,420	6,053	125	30,260	814,203
Accumulated Depreciation								
At 1 April 2019	902	5,611	18,662	4,749	1	4	552	30,481
Charge for 2019-20	5,543	5,675	2,361	193	1	2	-	13,775
Disposals	-	-	(199)	-	-	-	-	(199)
Revaluations	(6,442)	(4,792)	-	-	-	-	-	(11,234)
Impairment losses	-	-	-	-	-	-	600	600
Transfers	-	(42)	-	-	42	-	-	0
At 31 March 2020	3	6,452	20,824	4,942	44	6	1,152	33,423
Net book Value								
As at 31 March 2020	510,107	225,275	6,684	3,478	6,009	119	29,108	780,780
as at 31 March 2019	503,702	231,146	8,010	3,020	4,582	121	17,034	767,615

Capital Commitments

At 31 March 2021, the Council has entered into a number of contracts for the construction or enhancement of PP&E in 2021-22 and future years budgeted to cost £86.8 million compared to commitments at 31 March 2020 of £0.81 million. This major commitment is wholly related to the Weyside Urban Village project.

13. Heritage Assets

The Council holds various heritage assets, which are held and maintained principally for their contribution to knowledge and culture. Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policies on PP&E. However, some of the measurement rules are relaxed in relation to heritage assets. The Council's heritage assets are accounted for as follows:

- Monuments, including Guildford Castle and Chilworth Gunpowder Mills
These assets are ruins for which it is not possible to obtain a current valuation. They are held on the balance sheet at historical cost, i.e. the cost of capitalised works carried out to preserve the buildings and are not subject to depreciation as they have indefinite lives.

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- the art collection held at Guildford House Gallery, and civic regalia held at the Guildhall Insurance values have been used as a proxy for fair value. An insurance valuation was carried out by Bonhams 1793 Limited, international auctioneers and valuers as at March 2012. This was based on estimated price of the items if purchased on retail premises. The assets are not depreciated because they have indeterminable lives.
- various sculptures and pieces of artwork around the Borough
These assets are held on the balance sheet at historical cost and are not subject to depreciation as they have indeterminable lives.
- the museum collection held at Guildford Museum
The Council does not consider that reliable cost or valuation information can be obtained for the museum collection because of the diverse nature of the assets held and lack of comparable market values. Consequently, the Council does not recognise these assets on the balance sheet.

The carrying amounts of heritage assets are reviewed where there is evidence of impairment for heritage assets, for example when an item has suffered physical deterioration or breakage or where doubts arise as to its authenticity. Any impairment is recognised and measured in accordance with the Council's general policies on impairment – see note 12 in this summary of significant accounting policies.

Reconciliation of the carrying value of Heritage Assets held by the Council

	Monuments £000	Civic Regalia etc £000	Art Collection £000	Total Assets £000
Cost or Valuation				
At 1 April 2019	1,011	1,759	805	3,575
Additions	-	-	-	-
At 31 March 2020	1,011	1,759	805	3,575
Cost or Valuation				
At 1 April 2020	1,011	1,759	805	3,575
Additions	187	-	-	187
At 31 March 2021	1,198	1,759	805	3,762

Civic Regalia

The Council's collection of civic regalia is held at the Guildhall, and includes such items as the mayor's badge, small and large mace and the civic plate.

Art Collection

The collection is held at Guildford House Gallery comprises more than 550 pieces and small collections. Many objects consist of multiple parts so the number of works comes close to 800. They span more than 250 years and include a plethora of media - oil paintings, watercolours, pastels, etchings, engravings, prints, textiles, ceramics, sculpture and glass.

The Heritage Services Collections Development Policy is available from the Council's Heritage Manager.

Museum Collections

Guildford Museum works with local people and other partners to collect, record and care for the Borough's heritage and to promote understanding, enjoyment, and engagement with that

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heritage through access and learning for all. Its collections contain material of local, regional, national and international importance and form a unique cultural asset and resource for Guildford Borough, its people and its visitors.

The heritage asset acquisitions and disposals policies are set out in the published Heritage Service's collections development policy, which the Council reviews every five years. This is a requirement of the national standards scheme for museums, which is managed by Arts Council England. A copy is lodged with other appropriate museums and regional organisations in Surrey and the South East. It is also available on the Council's website.

14. Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

The value of an investment property is initially measured at cost. Thereafter, it is measured at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. Investment properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure (FIIE) line in the CIES as are any gains or losses on disposal.

Rentals received in relation to investment properties are credited to the FIIE and result in a gain for the GF Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the GF Balance. Accordingly, any gains or losses are reversed out of the GF Balance in the MIRS and posted to the Capital Adjustment Account (revaluations and value of assets disposed of) and the Capital Receipts Reserve (proceeds of disposals greater than £10,000).

The following items of income and expense have been accounted for in the FIIE line in the CIES:

2019-20		2020-21
£000		£000
8,382	Rental income from investment property	7,769
(1,251)	Direct operating expenses arising from investment property	(1,214)
7,131	Net gain	6,555

There are no restrictions on the Council's ability to realise the value inherent in its investment property or on the Council's right to the remittance of income and the proceeds of disposal. The Council has no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancement.

The fair value of the majority of the Council's investment property has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets in the local area. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised at Level 2 in the fair value hierarchy. The inputs used took the form of analysed and weighted market evidence such as sales, rentals and yields in respect of comparable properties in the same or similar locations at or around the valuation date.

In estimating the fair value of the Council’s investment properties, the highest and best use of the properties is their current use.

Level 3 disclosure:

One of the Council’s investment properties have been revalued at Level 3 in fair value hierarchy (unobservable inputs):

- Shalford Water Works
 This has been valued at level 3 due to a lack of specific comparable evidence and information regarding operator income/profits on the subject. There are no similar assets of this class in the portfolio therefore the impact of the level of input does not affect any other asset. The sensitivity of the inputs is somewhat lessened by the current income being certain until the next rent review in 2033.

The income is in place until the next rent review in 2033, assumed currently to be market rent. However, there is no direct comparable evidence as the last review settled pre arbitration and not in accordance with lease rent review but rather with reference to profits as agreed between the parties.

Valuation methodology

The property has been valued on the basis of the existing rent passing despite the fact that the rent was agreed without direct reference to the lease. The valuers assumed that the current tenant will renew their lease at the end of the term because of their statutory duty, however, any new lease would be based on more modern terms and it is possible that the rent may be reduced. They valued the reversionary rent at a slightly higher yield to reflect this risk. However, the valuation is also minded to look at an alternative valuation, given that the reversion of the lease is not until 2066, where the current rent is valued into perpetuity. Both figures are similar.

The total value included in level 3 for 2020-21 is £2.34 million, the value in 2019-20 was £2.15 million

The following table summarises the movement in the fair value of investment properties over the year:

2019-20		2020-21
£000		£000
161,244	Balance at start of the year	153,413
7,024	Additions	4,354
(12,150)	Disposals	0
(735)	Transfers	1,906
(1,970)	Net gains/(losses) from fair value adjustments	(565)
153,413	Balance at end of the year	159,108

15. Intangible Assets

Expenditure on assets that do not have a physical substance are capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council.

Intangible assets are initially measured at cost and carried at amortised cost. It is amortised over its useful life to the relevant service line(s) in the CIES.

The Council accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of PP&E. The intangible assets only include purchased licences as the Council does not have

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any significant internally generated software.

All software is given a finite useful life of 5 years based on an assessment of the period that the software is expected to be of use to the Council. The carrying amount of intangible assets is amortised on a straight-line basis.

The movement on the Intangible Asset balance during the year is as follows:

2019-20		2020-21
£000		£000
	Balance at start of the year:	
5,769	Gross carrying amount	6,779
(3,995)	Accumulated amortisation	(4,480)
1,774	Net carrying amount at start of year	2,299
1,010	Purchases	1,187
(485)	Amortisation for the period	(629)
2,299	Net carrying amount at end of year	2,857
	Comprising:	
6,779	Gross carrying amount	7,966
(4,480)	Accumulated amortisation	(5,109)

16. Assets Held For Sale

2019-20		2020-21
£000		£000
2,116	Balance at start of the year	431
0	Assets purchased	0
	Assets newly classified as held for sale:	
20	Property, Plant and Equipment	
(1,705)	Assets sold	(431)
431	Balance at end of the year	0

There were no assets identified for sale in the 12 months following the balance sheet date.

17. Short Term Debtors

31 March 2020		31 March 2021
£000		£000
4,125	Central & local government bodies	5,237
3,939	Other entities and individuals: general	22,024
5,007	Other entities and individuals: CT & NNDR	25,003
13,071	Total	52,264

The Council introduced a debt suspension in the year because of Covid-19 and also relaxed debt recovery, so is holding a larger amount of debtors on our balance sheet at the end of the year. There is also a large debtor relating to outstanding s31 grants relating to the Collection Fund.

18. Cash And Cash Equivalents

Cash comprises cash in hand and on demand deposits. Cash also includes bank overdrafts

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that are repayable on demand and that are integral to the Council’s cash management.

Balances classified as ‘Cash Equivalents’ fit the definition of being short term, highly liquid (that is callable) investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

The net balance of Cash and Cash Equivalents consists of the following elements:

31 March 2021		31 March 2021
£000		£000
6	Cash held by the Council	4
(407)	Bank current accounts	94
15,034	Callable deposits	40,556
14,633	Total Cash and Cash Equivalents	40,654

19. Short Term Creditors

31 March 2020		31 March 2021
£000		£000
14,637	Central & Local government bodies	28,179
6,564	Other entities and individuals	26,504
11,957	Receipts in Advance	12,016
33,158	Total	66,699

This includes Receipts in Advance received for Covid-19 grants and Council Tax.

20. Provisions

Provisions are created when the Council has an obligation, such as a legal claim against it, that has arisen from a past event and it is probable that the Council will need to settle that obligation. In addition, it is necessary that the obligation can be reliably estimated.

Provisions are charged as an expense to the appropriate service line in the CIES when the Council has an obligation. They are measured at best estimate at the Balance Sheet date, taking into account relevant risks and uncertainties. When payments are made to clear the obligation, they are charged to the provision carried in the Balance Sheet.

Estimated settlements are reviewed at the end of each financial year and where necessary revised. If there is a need to increase the provision, the additional amount is charged to the relevant service in the CIES. If, however, the obligation is estimated or ultimately proves to be less than the value of the provision, the excess amount is credited to the relevant service in the CIES.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (for example from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

The Council’s provisions consist of six items totalling £5.9 million (£3.7 million in 2019-20).

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	Outstanding legal cases £000	Business Rates appeals £000	Other provisions £000	Total £000
Balance at 31 March 2019	52	3,375	274	3,701
Additional provisions made	0	596	500	1,096
Amounts used	0	(1,040)	0	(1,040)
Unused amounts reversed	0	0	0	0
Balance at 31 March 2020	52	2,931	775	3,758
Additional provisions made	0	3,264	664	3,928
Amounts used	0	(1,642)	(85)	(1,727)
Unused amounts reversed	0	0	0	0
Balance at 31 March 2021	52	4,553	1,354	5,959

Outstanding Legal Cases

This relates to search fees, which, subject to legal action, may have to be repaid.

Business rates Appeals

The business rates appeals provision was set up to cover the Council's share of the estimated reduction in business rates collectable due to rating appeals. It was calculated using information provided by the Valuation Office Agency about outstanding appeals, and our historical knowledge of the likely success rate of these appeals. An additional £8.1 million was added into the reserve and £6.538 million of revaluation list amendments were charged against the provision, but only the Council's 30% share is shown here. The remainder is allocated to Surrey County Council (70%) and is reflected in the balance sheet in the Council's net creditors with them.

Other provisions

All other provisions are individually insignificant.

21. Cash Flow Statement – Operating Activities

The cash flows for operating activities include the following items:

2019-20		2020-21
£000		£000
2,185	Interest received	1,759
(5,607)	Interest paid	(5,255)

The surplus on the provision of services has been adjusted for the following non-cash movements:

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2019-20		2020-21
£000		£000
13,775	Depreciation	13,775
7,600	Revaluation gains on Property, Plant & Equipment	3,507
485	Amortisation of intangible assets	629
687	Increase / (decrease) in creditors	17,744
9,032	(Increase) / decrease in debtors	(40,942)
36	(Increase) / decrease in inventories	58
9,073	Movement in pension liability	198
17,520	Carrying amount of non-current assets sold	2,373
4,405	Other adjustments	1,740
62,613		(918)

The deficit on the provision of services has been adjusted for the following items that are investing and financing activities:

2019-20		2020-21
£000		£000
2,310	Proceeds from short and long-term investments	0
(8,293)	Other items	(8,847)
(15,753)	Proceeds from the sale of non-current assets	(4,559)
(21,736)		(13,406)

Other items include capital grants

Technical Notes To The Accounts

The following notes are more technical in nature and provide additional accounting detail supporting the primary statements and notes.

22. Adjustments Between Accounting And Funding Basis Under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

2020-21	Usable Reserves					
	General Fund Balance £000	Housing Revenue Account £000	Capital Receipts reserve £000	Major Repairs Reserve £000	Capital Contributions Unapplied £000	Mvt in Unusable Reserves £000
Adjustments to the Revenue Resources:						
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement (CIES) are different from revenue for the year calculated in accordance with statutory requirements:						
Pensions costs (trf to / (from) the Pensions Reserve)	(275)	473	-	-	-	(198)
Council tax and Business Rates (trf to the Collection Fund Adjustment Account)	23,722	-	-	-	-	(23,722)
Reversal of entries in the Surplus or Deficit on the Provision of Services re capital expenditure (charged to CAA)	28,500	7,505	-	-	-	(36,005)
Movements in the market value of Investment Properties (transferred from CAA)	589	-	-	-	-	(589)
Capital grants and contributions unapplied credited to the CIES	(7,246)	(1,599)	-	-	8,845	-
Benefit accrual	0	-	-	-	-	0
IFRS9 statutory reversal	(1,232)	-	-	-	-	1,232
Total Adjustments to Revenue Resources	44,058	6,379	-	-	8,845	(59,282)
Adjustments between Revenue and Capital Resources						
Tfr of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	(2,571)	(1,988)	4,559	-	-	-
Payments to the government housing receipts pool (funded by a transfer from the Capital Receipts Reserve)	687	-	(687)	-	-	-
Posting of HRA resources from revenue to the MRR	-	(5,686)	-	5,686	-	-
Statutory provision for the repayment of debt (transfer from CAA)	(1,288)	-	-	-	-	1,288
Capital expenditure financed from revenue balances (transfer to CAA)	(3,022)	(4,818)	-	-	-	7,839
Total Adjustments	(6,194)	(12,492)	3,872	5,686	-	9,127
Adjustments to Capital Resources						
Use of the Capital Receipts Reserve to finance capital expenditure	-	-	(8,902)	-	-	8,902
Use of the MRR to finance capital expenditure	-	-	-	(3,661)	-	3,661
Application of capital grants and contributions to finance capital expenditure	-	-	-	-	(8,669)	8,669
Total Adjustments to Capital Resources	-	-	(8,902)	(3,661)	(8,669)	21,232
Total adjustments	37,864	(6,113)	(5,030)	2,025	176	(28,922)

The housing capital receipts payment (£687,000) is the statutory minimum the Council has to pay to the Government. No repayments of 141 receipts were payable in 2020/21.

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2019-20	Usable Reserves					
	General Fund Balance £000	Housing Revenue Account £000	Capital Receipts reserve £000	Major Repairs Reserve £000	Capital Contributions Unapplied £000	Mvt in Unusable Reserves £000
Adjustments to the Revenue Resources:						
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement (CIES) are different from revenue for the year calculated in accordance with statutory requirements:						
Pensions costs (trf to / (from) the Pensions Reserve)	8,263	810	-	-	-	(9,073)
Council tax and Business Rates (trf to the Collection Fund Adjustment Account)	(1,930)	-	-	-	-	1,930
Reversal of entries in the Surplus or Deficit on the Provision of Services re capital expenditure (charged to CAA)	38,855	14,926	-	-	-	(53,781)
Movements in the market value of Investment Properties (transferred from CAA)	2,216	-	-	-	-	(2,216)
Capital grants and contributions unapplied credited to the CIES	(8,290)	-	-	-	8,290	-
Benefit accrual	331	-	-	-	-	(331)
IFRS9 statutory reversal	1,483	-	-	-	-	(1,483)
Total Adjustments to Revenue Resources	40,928	15,737	-	-	8,290	(64,954)
Adjustments between Revenue and Capital Resources						
Trf of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	(12,087)	(3,667)	15,755	-	-	-
Payments to the government housing receipts pool (funded by a transfer from the Capital Receipts Reserve)	2,738	-	(2,738)	-	-	-
Posting of HRA resources from revenue to the MRR	-	(5,641)	-	5,641	-	-
Statutory provision for the repayment of debt (transfer from CAA)	(927)	-	-	-	-	927
Capital expenditure financed from revenue balances (transfer to CAA)	(3,194)	(2,373)	-	-	-	5,567
Total Adjustments	(13,469)	(11,681)	13,016	5,641	-	6,493
Adjustments to Capital Resources						
Use of the Capital Receipts Reserve to finance capital expenditure	-	-	(19,604)	-	-	19,604
Use of the MRR to finance capital expenditure	-	-	-	(5,023)	-	5,023
Application of capital grants and contributions to finance capital expenditure	-	-	-	-	(8,421)	8,421
Total Adjustments to Capital Resources	-	-	(19,604)	(5,023)	(8,421)	33,047
Total adjustments	27,458	4,055	(6,588)	618	(130)	(25,414)

General Fund balance – this is a statutory fund in which all the receipts and expenditure of the Council are accounted. It summarises the resources the Council has to spend on its services or on capital investment at the end of the financial year.

Housing Revenue Account – this reflects the statutory obligation to maintain a revenue account for local authority council housing provision. It contains the balance on income and expenditure that is available to fund future expenditure in connection with the landlord's function.

Capital receipts reserve – this holds the proceeds from the disposal of capital assets which can only be used to fund new capital expenditure or be set aside to fund financial historical capital expenditure (ie debt). The balance is the resources yet to be applied at the end of the year.

Major repairs reserve – the Council is required to maintain a major repairs reserve, which controls an element of the capital resources limited to being used on capital expenditure on HRA assets or the financing of historical capital expenditure by the HRA. The balance is the resources yet to be applied at the end of the year.

Capital contributions unapplied – this holds the grants and contributions received towards

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capital projects where the Council has met the conditions that would otherwise require repayment but the money has not yet been spent. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

23. Unusable Reserves

The following table summarises the unusable reserves (i.e. non-cash reserves) held by the council, with more detail for each reserve below.

31 March 2020		31 March 2021
£000		£000
242,599	Revaluation Reserve	251,332
425	Financial Instruments Reserve	1,657
396,637	Capital Adjustment Account	395,130
(113,567)	Pensions Reserve	(143,258)
(515)	Collection Fund Adjustment Account	(24,204)
(686)	Accumulated Absences Account	(686)
524,893		479,971

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its PP&E. The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost
- used in the provision of services and the gains are consumed through depreciation, or
- disposed of and the gains are realised.

The reserve contains only revaluation gains accumulated since 1 April 2007, the date that the reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2019-20		2020-21
£000		£000
242,017	Balance at 1 April	242,599
(5,078)	Upward / (downward) revaluation of assets	(5,365)
14,262	(Upward) / downward revaluation of assets not charged to the Surplus on Provision of Services	18,823
9,185	Surplus on revaluation of non-current assets not posted to the Surplus on Provision of Services	13,458
(4,152)	Difference between fair value depreciation and historical cost depreciation	(4,181)
(4,451)	Accumulated gains on assets sold or scrapped	(544)
(8,603)	Amounts written off to the Capital Adjustment Account	(4,725)
242,599	Balance at 31 March	251,332

Financial Instruments reserve

This reserve contains the gains made by the Council arising from increases in its value of investments classified as Fair Value through Profit and Loss (FVPL) which are eligible for the governments Statutory Override.

2019-20	2020-21
£000	£000
1,908	425
Balance at 1 April	
(1,483)	1,232
Upward/(downward) revaluation of investment in year	
425	1,657
Balance at 31 March	

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the CIES. The account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement.

The account contains accumulated gains and losses on investment properties and gains recognised on donated assets that have yet to be consumed by the Council.

The account also contains revaluation gains accumulated on PP&E before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

2019-20		2020-21
£000		£000
404,492	Balance at 1 April	396,637
<u>Reversal of items debited or credited to the CIES:</u>		
(13,775)	Charge for depreciation of non-current assets	(13,775)
(7,000)	Revaluation gains / (losses) on PPE	(3,507)
(485)	Amortisation of intangible assets	(629)
(14,647)	Revenue expenditure funded from capital under statute	(15,424)
(600)	Impairment	0
(17,520)	Amounts of non-current assets written off on disposal or sale as part of the gain on disposal to the CIES	(2,373)
(54,027)		(35,708)
8,603	Adjusting amounts written out of the Revaluation reserve	4,405
(45,424)	Net written out amount of the cost of non-current assets consumed in the year	(31,303)
<u>Capital financing applied in the year:</u>		
19,603	Use of the Capital Receipts Reserve to finance new capital expenditure	8,902
5,023	Use of the Major Repairs Reserve to finance new capital expenditure	3,662
8,421	Use of capital grants and contributions to finance new capital expenditure	8,669
927	Provision for the financing of capital investment charged against the GF and HRA balances (MRP)	1,288
5,566	Capital expenditure charged against the GF and HRA balances	7,839
39,540		30,360
(1,970)	Movements in the market value of Investment Properties debited or credited to the CIES	(564)
396,637	Balance at 31 March	395,130

Pensions Reserve

This reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the CIES as the benefits are earned by employees accruing years of service, updating the liabilities

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recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2019-20		2020-21
£000		£000
(115,983)	Balance at 1 April	(113,567)
11,489	Remeasurements of the net defined benefit liability	(29,493)
(12,687)	Reversal of items relating to retirement benefits debited or credited to the Deficit on the Provision of Services in the CIES	(10,512)
3,614	Employer's pensions contributions and direct payments to pensioners payable in the year	10,314
(113,567)	Balance at 31 March	(143,258)

Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax and non-domestic rates income in the CIES as it falls due from council tax payers and business rates payers compared with the statutory arrangements for paying across amounts to the GF from the Collection Fund.

2019-20		2020-21
£000		£000
(2,444)	Balance at 1 April	(515)
	o.b adjustment	32
1,929	Amount by which council tax and non-domestic rates income credited to the CIES is different from income calculated for the year in accordance with statutory requirements	(23,721)
(515)	Balance at 31 March	(24,204)

24. Capital Expenditure and Capital Financing

The table below shows the total amount of capital expenditure incurred in the year together with the resources that have been used to finance it.

Where capital expenditure is to be financed in future years (as assets are used) by charges to revenue, the expenditure results in an increase in the Capital Financing Requirement (CFR). The CFR is a measure of the capital expenditure incurred historically by the Council that has yet to be financed.

Expenditure incurred during the year that may be capitalised under statutory provisions but does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the CIES in the year (revenue expenditure funded from capital under statute – REFCUS). Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the MIRS from the GF Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of council tax.

2019-20		2020-21
£'000		£'000
297,578	<i>Opening Capital Financing Requirement</i>	314,996
	<i>Capital Investment</i>	
17,732	Operational assets	18,964
17,632	Non-operational assets	2,038
1,011	Intangible assets	1,187
2,376	Long Term Investments	2,959
3,565	Long term debtors	1,973
14,642	Revenue Expenditure Funded from Capital under Statute	15,424
	<i>Sources of finance</i>	
(7,604)	Specific Capital Grants	(7,126)
(19,604)	Capital Receipts	(8,902)
(817)	Contributions	(1,543)
(6,493)	Direct Revenue Financing and MRP / VRP	(9,128)
(5,023)	HRA Major Repairs Reserve	(3,661)
314,996	<i>Closing Capital Financing Requirement</i>	327,181
17,418	<i>Movement during the year</i>	12,185
	Increase in underlying need to borrow (unsupported by government financial assistance)	

25. Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

Council as Lessee

Finance leases

PP&E held under finance leases is recognised on the Balance Sheet at the date of inception of the lease at fair value

PP&E recognised under a finance lease is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life.

The Council is not required to raise council tax to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual provision is made from revenue towards the deemed capital investment in accordance with statutory requirements. Depreciation and impairment losses are therefore replaced by revenue provision in the GF Balance, by way of an adjusting transaction with the Capital Adjustment Account in the MIRS for the difference between the two.

The Council has acquired a number of assets under finance leases over time. They are included on the Balance Sheet at the following net amounts:

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2019-20		2020-21
£'000		£'000
2,889	Council Dwellings	3,022
11,347	Other Land & Buildings	10,483
14,236		13,505

There are no liabilities recorded on the balance sheet because the Council paid premiums at the start of these leases and there are no more payments due.

Operating leases

Rentals paid under operating leases are charged to the CIES as an expense to the services benefitting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease; even if this does not match the pattern of payments (for example there is a rent-free period at the commencement of the lease).

Council as Lessor*Finance leases*

Where the Council grants a finance lease for an item of PP&E, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether PP&E or Assets Held for Sale) is written off to the CIES, and any premium received is credited to the CIES, as part of the gain or loss on disposal.

The accounting treatment is the same as for PP&E disposals described in note 12.

The Council has leased out a number of investment properties on finance leases with remaining lease terms of 60 years or more. In each case a premium was paid to the Council by the lessee in order to enter into the lease and there are no future minimum lease payments due.

Operating leases

Where the Council grants an operating lease for an item of PP&E or an investment property, the asset is retained in the Balance Sheet. Rental income is credited to the CIES on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (for example, there is a premium paid at the commencement of the lease).

The Council leases out operational property under operating leases primarily for the provision of social housing and community services such as sports facilities. It also leases out investment property under operating leases.

The future lease payments receivable under non-cancellable leases in future years are:

2019-20		2020-21
£'000		£'000
6,731	Less than one year	8,820
22,552	one year to five years	28,978
308,475	Later than five years	314,332
337,758		352,130

26. Defined Pension Benefit

Participation in Pension Schemes

As part of the terms and conditions of employment of its officers, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

The Council participates in the Local Government Pension Scheme administered by Surrey County Council. Most of the Council's employees are members. The scheme provides defined benefits (retirement lump sums and pensions) to members that they have earned as Council employees. It is a funded scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets in the long term.

The scheme is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the Pension Board of Surrey County Council. Policy is determined in accordance with the Pension Fund Regulations. The investment managers of the Fund are appointed by the Board and consist of eleven investment fund managers plus private equity fund managers.

The principal risks to the Council of the scheme are the longevity of members, statutory changes to the scheme, structural changes to the scheme (i.e. large scale withdrawals from the scheme), changes to inflation, bond yields and the performance of equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the GF the amounts required by statute as described in the accounting policies note.

The scheme is a multi-employer plan. Employers are required by regulation to meet the minimum contributions as set out in the Rate and Adjustments Certificate for the relevant actuarial valuation. For 2020-21 this would be the valuation carried out as at March 2019.

If another entity was to be unable to meet required funding commitments to the Fund and no suitable guarantee was available, either in the form of a bond or a charge on assets or a parent organisation, then any deficit would be spread across existing fund employers.

If the Council were to withdraw from the scheme, the fund actuary would carry out a cessation valuation to calculate its plan liabilities and assets. Any deficit on this valuation would need to be recovered through a final contribution to the fund. Any surplus would not be recoverable.

Transactions Relating to Post-employment Benefits

The Council's participation in the Local Government Pension Scheme is accounted for as a defined benefits scheme.

- the liabilities of the pension scheme attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method – that is an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and projections of projected earnings for current employees.
- liabilities are discounted to their value at current prices, using a discount rate of 2% (based on the indicative rate of return on high quality corporate bond over a range of periods).
- the assets of the pension fund attributable to the Council are included in the Balance Sheet at their fair value using the following bases:
 - quoted securities – current bid price
 - unquoted securities – professional estimate

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- unitised securities – current bid price
- property – market value

The change in the net pensions liability is analysed into the following components:

- Service cost comprising:
 - current service cost - the increase in liabilities as result of years of service earned this year – allocated in the CIES to the services for which the employees worked
 - past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years - debited to the Surplus or Deficit on the Provision of Services in the CIES, within the Resources Directorate.
 - net interest on the net defined benefit liability, i.e. net interest expense for the Council – the change during the period in the net defined benefit liability that arises from the passage of time charged to the FIIE line in the CIES – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period – taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments
- Re-measurements comprising:
 - the return on plan assets (excluding amounts included in the net interest on the net defined benefit liability) – the annual investment return on the fund assets attributable to the Council, based on an average of the expected long-term return – credited to Other Comprehensive Income and Expenditure
 - actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure
- Contributions paid to the Surrey County Council Pension Fund – cash paid as employer’s contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the GF Balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the MIRS, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the GF of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. These are unfunded defined benefit arrangements under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due. They are accounted for using the same policies as are applied to the Local Government Pension Scheme.

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We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the General Fund via the MIRS.

The following transactions have been made in the CIES and the GF Balance via the MIRS during the year:

Pension Costs		
2019-20		2020-21
£000		£000
Comprehensive Income & Expenditure Statement		
Service Cost		
9,694	Current service cost	7,832
130	Past service cost (including curtailments)	26
9,824	Total Service Cost	7,858
Financing and Investment Income and Expenditure:		
(4,698)	Interest income on plan assets	(4,000)
7,561	Interest cost on defined benefit obligation	6,654
2,863	Total Net Interest	2,654
12,687	Total Post Employment Benefits charged to the Surplus or Deficit on the Provision of Services	10,512
Remeasurement of the Net Defined Liability comprising:		
(23,366)	Return on plan assets excluding amounts included in net interest	48,767
31,656	Actuarial (gains)/losses arising from changes in financial assumptions	(81,268)
3,199	Other experience	3,008
11,489	Total remeasurements recognised in Other Comprehensive Income (OCI)	(29,493)
24,176	Total Post Employment Benefits charged to the CIES	(18,981)

Pension Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the authority's obligation in respect of its defined benefit plan is as follows:

2019-20		2020-21
£000		£000
Movement in Reserves Statement		
(12,687)	Reversal of net charges made to the Surplus or Deficit on the provision of services for post employment benefits in accordance with the code	(10,512)
Actual amount charged against the General Fund Balance for pensions in the year:		
3,614	Employers' contributions payable to scheme	10,314

Reconciliation of the Movements in the Fair Value of the Scheme Assets:

2019-20		2020-21
£000		£000
175,259	Fair value of plan assets	231,846
(285,856)	Present value of funded liabilities	(371,988)
(2,970)	Present value of unfunded liabilities	(3,116)
(113,567)	Net Liability arising from Defined Benefit Obligation	(143,258)

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21**Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)**

2019-20		2020-21
£000		£000
196,712	Opening fair value of the scheme assets	175,259
4,698	Interest income	4,000
	Remeasurement gain	
(23,366)	Return on plan assets excluding amounts included in net interest	48,767
3,614	Contributions from employer	10,314
1,518	Contributions from employees into the scheme	1,474
(7,917)	Benefits paid	(7,968)
175,259	Closing Fair Value of Scheme Assets	231,846

2019-20		2020-21
£000		£000
312,695	Opening fair value of the scheme liabilities	288,826
9,694	Current service cost	7,832
7,561	Interest cost	6,654
1,518	Contributions from scheme participants	1,474
	Remeasurement gain	
(31,656)	Actuarial (gains)/losses arising from changes in financial assumptions	81,268
(3,199)	Other	(3,008)
130	Past Service Cost	26
(7,917)	Benefits paid	(7,968)
288,826	Closing Fair Value of Scheme Liabilities	375,104

Pension Scheme Assets Comprised:

Asset Category	31-Mar-21				31-Mar-20			
	Quoted Prices in Active Markets £(000s)	Prices not quoted in Active markets £(000s)	Totals £(000s)	%	Quoted Prices in Active Markets £(000s)	Prices not quoted in Active markets £(000s)	Totals £(000s)	%
Equity Securities:								
Consumer	5,022.0	-	5,022.0	2%	5,000.9	-	5,000.9	3%
Manufacturing	2,529.1	-	2,529.1	1%	3,732.7	-	3,732.7	2%
Energy and utilities	488.3	-	488.3	0%	1,356.6	-	1,356.6	1%
Financial Institutions	3,021.2	-	3,021.2	1%	2,951.4	-	2,951.4	2%
Health and Care	2,124.6	-	2,124.6	1%	3,018.3	-	3,018.3	2%
Information Technology	7,018.0	-	7,018.0	3%	5,720.5	-	5,720.5	3%
Other	-	-	-	0%	99.5	-	99.5	0%
Debt Securities								
Corporate Bonds (investment grade)	-	-	-	0%	-	-	-	0%
Corporate Bonds (non-investment grade)	-	-	-	0%	-	-	-	0%
UK Government	-	10,745.6	10,745.6	5%	-	9,909.6	9,909.6	6%
Other	-	-	-	0%	-	-	-	0%
Private Equity								
All	-	15,904.2	15,904.2	7%	-	14,021.5	14,021.5	8%
Real Estate								
UK Property	3,318.60	5,086.90	8,405.5	4%	3,033.50	5,738.30	8,771.8	5%
Overseas Property	-	4,095.00	4,095.0	2%	-	3,851.00	3,851.0	2%
Investment Funds and Unit Trusts								
Equities	137,268.0	-	137,268.0	59%	92,219.9	-	92,219.9	53%
Bonds	29,239.0	-	29,239.0	13%	20,398.8	-	20,398.8	12%
Hedge funds	-	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Derivatives								
Inflation	-	-	-	-	-	-	-	-
Interest Rate	-	-	-	-	-	-	-	-
Foreign Exchange	707.8	-	707.8	0%	(1,761.5)	-	(1,761.5)	(1%)
Other	-	-	-	-	-	-	-	-
Cash and Cash Equivalents								
All	5,277.0	-	5,277.0	2%	5,968.0	-	5,968.0	3%
Totals	196,014	35,832	231,845	100%	141,739	33,520	175,259	101%

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumption about mortality rates, salary levels etc. The County Council fund liabilities have been assessed by Hymans Robertson LLP, an independent firm of actuaries. The Actuary has prepared the figures by applying a 'roll-forward' approach to the last formal valuation, which was as at 31 March 2019.

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The main financial assumptions used in their calculation have been:

2019-20		2020-21
	Mortality assumptions:	
	Longevity at 65 for current pensioners:	
22.1 years	Men	22.3 years
24.3 years	Women	24.7 years
	Longevity at 65 for future pensioners:	
22.9 years	Men	23.4 years
25.7 years	Women	26.4 years
1.9%	Rate of Inflation (CPI)	2.9%
2.8%	Rate of increase in salaries*	3.8%
1.9%	Rate of increase in pensions	2.9%
2.3%	Rate for discounting scheme liabilities	2.0%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method.

Change in Assumptions at 31 March 2021	Approximate % increase to Employer	Approximate monetary amount (£000)
0.5% decrease in Real Discount rate	10%	37,676
0.5% increase in the Salary Increase Rate	1%	3,336
0.5% increase in the Pension Increase Rate	9%	33,565

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, the Actuary has estimated that a one-year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3% to 5%. In practice the actual cost of a one-year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages)

Impact on the Council's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. Funding levels are monitored on an annual basis. The triennial valuation carried out as at 31 March 2019 applies from 1 April 2020.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and the other main existing public service pension schemes may not provide benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits.

The weighted average duration of the defined benefit obligation for scheme members is 21 years.

The liabilities show the underlying commitments that the Council has in the long run to pay retirement benefits. The total liability of £143 million has a substantial impact on the net worth of the Council as recorded in the balance sheet. However, statutory arrangements for funding the deficit mean that the financial position of the Council remains healthy; the deficit will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.

27. Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed as a note to the accounts.

Municipal Mutual Insurance Limited may claim an amount of up to £517,000 in relation to the company's liability for asbestos induced mesothelioma claims arising on the Council's liability account. During 2012-13 the directors of Municipal Mutual Insurance Limited triggered the scheme of arrangement, with an initial levy rate of 15%. A further levy of 10% was raised in 2015-16. The Council has paid both of them. There may be further levies at some time in the future, but there is no indication of when or how much.

28. Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognised in the Balance Sheet but disclosed as a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

The council had no contingent assets.

29. Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity investment of another entity. They are recognised on the balance sheet when the Council becomes party to the contractual provisions of the financial instrument.

Financial Liabilities

A financial liability is an obligation to transfer economic benefits controlled by the Council. It can be a contractual obligation to deliver cash, financial assets or an obligation to exchange financial assets and liabilities with another entity that are potentially unfavourable to the Council.

They are initially measured at fair value and are subsequently measured and carried on the Balance Sheet at their amortised cost.

Annual charges to the Financing and Investment Income and Expenditure (FIIE) line in the

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CIES for interest payable are based on the carrying amount of the liability, multiplied by the effective interest rate for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

Financial liabilities held at the balance sheet date consist of long-term loans with the Public Works Loan Board (PWLB), bank overdraft and trade payables for goods and services received. For the Council's loans, the amount presented in the Balance Sheet is the outstanding principle repayable (plus accrued interest); and interest charged to the CIES is the amount payable for the year according to the loan agreement.

The financial liabilities disclosed in the balance sheet are analysed across the following categories:

FINANCIAL LIABILITIES	Long-term		Short-term	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Borrowing				
Loans at amortised cost				
- Principal sum borrowed	147,435	192,435	163,500	44,230
- Accrued interest	-	-	276	264
- Internal charities	-	-	(2)	(2)
Total Borrowing	147,435	192,435	163,774	44,492
Loans at amortised cost				
- Bank overdraft	-	-	-	407
Total Cash Overdrawn	-	-	-	407
Trade payables (Creditors)	-	-	8,875	2,253
Other trade payables	-	-	27,373	
TOTAL FINANCIAL LIABILITIES	147,435	192,435	200,022	47,152
Total Non-financial assets			30,300	
Total Liabilities	147,435	192,435	230,322	47,152

The short-term creditors line on the balance sheet include £30.300 million (£30.418 million in 2019-20) short-term creditors that do not meet the definition of a financial liability.

All non-derivative financial liabilities are carried in the balance sheet at amortised cost. Their fair values have been estimated by calculating the net present value of the remaining contractual cash flows at 31 March 2021, using the following methods and assumptions:

- loans borrowed by the Council have been valued by discounting the contractual cash flows over the whole life of the instrument at the appropriate market rate for local authority loans
- the fair values of other long-term loans have been discounted at the market rates for similar instruments with similar remaining terms to maturity on 31 March 2021
- no early repayment or impairment is recognised for any financial instrument
- the fair value of short-term instruments, including trade payables, is assumed to approximate to the carrying amount.

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Financial Liabilities	Fair value level	Balance sheet 31 March 2021 £'000	Fair value 31 March 2021 £'000	Balance sheet 31 March 2020 £'000	Fair value 31 March 2020 £'000
Forward contracts in the Counterparty's favour	2	-	-	-	-
<i>Financial liabilities held at amortised cost:</i>					
Long-term loans from PWLB	2	147,435	171,307	192,435	215,727
Creditors	1	36,400	36,400	-	-
Total Liabilities held at fair value		183,835	207,707	192,435	215,727
Liabilities for which fair value is not disclosed		163,774		47,152	
Total Financial Liabilities		347,609		239,587	
<i>Recorded on balance sheet as:</i>					
Long-term creditors		-		-	
Long-term borrowing		147,435		192,435	
Other long-term liabilities					
Short-term creditors		36,400		2,253	
Short-term borrowing		163,774		44,899	
Total Financial Liabilities		347,609		239,587	

The liabilities for which fair value is not disclosed comprise of short-term financial liabilities that are assumed to be approximate to the carrying amount, including both short-term borrowing and trade payables

We have judged that it is appropriate to calculate the fair value of PWLB loans by reference to rates from the local authority bonds market as adjusted for interest rate swap rates available from Bloomberg.

The fair value of long-term PWLB loans held at amortised cost is higher than their balance sheet carrying amount because the Council's portfolio of loans includes a number of loans where the interest rate payable is higher than the current rates available for similar loans at the balance sheet date.

Financial Assets

A financial asset is a right to future economic benefits controlled by the Council that is represented by cash or other instruments or a contractual right to receive cash or another financial asset.

There are three classifications for financial assets under the Code of Practice

- amortised cost
- fair value through other comprehensive income
- fair value through profit and loss

Financial assets are classified into these three categories based on the Council's business model for holding the assets and their cash flow characteristics.

Amortised Cost (cash flows re solely payments of principal and interest and the Council's business model is to collect those cash flows)

These comprise:

- cash in hand
- bank current and deposit accounts with HSBC Bank PLC
- fixed term deposits with banks and building societies
- loans to other local authorities
- loans to small companies and housing associations
- covered bonds issued by banks and building societies

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- trade receivables for goods and services provided

These financial assets are initially measured at fair value and are subsequently measured and carried on the Balance Sheet at their amortised cost. Annual credits to the FIIE line in the CIES for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument.

For the Council's financial assets this means that they are presented in the balance sheet as the outstanding principal receivable (plus accrued interest) and interest credited to the CIES is the amount receivable for the year in the investment agreement.

Any gains or losses that arise on the derecognition of an asset are credited or debited to the FIIE line in the CIES.

Fair value through other comprehensive income (where cash flows are solely payments of principal and interest and the Council's business model is to both collect those cash flows and sell the instrument)

The Council does not currently hold any financial assets with this categorisation.

Fair value through profit and loss (all other financial assets)

These financial assets comprise:

- money market funds
- pooled funds
- shares in Guildford Holdings Ltd, B4SH and Surrey Save

Details of the Council's investment holdings can be found in the Capital and Investment Outturn Report reported to the Executive in August 2021.

These are initially measured and carried at fair value. Changes in fair value are taken to the CIES within the FIIE line, and are gains and losses recognised in the GF. However, the Government introduced a 5-year statutory override for this impact for pooled funds, whereby the gain or loss in year can be reversed out via the MIRS and held in the Financial Instruments Reserve.

Any gains and losses that arise on the de-recognition of the asset are credited or debited to the FIIE line in the CIES, along with any accumulated gains or losses previously recognised in the Financial Instruments Reserve.

Expected Credit Loss Model

The Council recognises expected credit losses on all of its financial assets held at amortised cost either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the authority.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

The financial assets included in the balance sheet are as follows.

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FINANCIAL ASSETS	Long-term		Short-term	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Investments				
<u>Amortised cost</u>				
- Principal	22,579	31,430	77,115	41,851
- Accrued interest	57	596	379	218
<u>Fair value through profit and loss</u>				
- Fair value	2,080	10,144	15,758	17,120
Total Investments	24,716	42,170	93,252	59,189
Cash and Cash Equivalents				
<u>Amortised cost</u>				
- Cash	-	-	99	6
- Cash equivalents	-	-	322	528
- Accrued interest	-	-	-	-
<u>Fair value through profit and loss</u>				
- Cash equivalents	-	-	40,234	14,506
Total Cash and Cash Equivalents	-	-	40,655	15,040
Trade Receivables(Debtors)	533	-	10,886	3,950
Other Receivables	-	-	9,398	4,607
FVPL				
Loan to company	12,256	-	-	-
TOTAL FINANCIAL ASSETS	37,505	42,170	154,191	82,786
Total Non-financial assets	7,432	5,459	31,980	
Total Assets	44,937	47,629	186,171	82,786

The short-term debtors line in the balance sheet includes £31.980 million (£4.607 million in 2019-20) of short-term debtors that do not meet the definition of a financial asset.

Financial assets	Fair value level	Balance sheet 31 March 2021 £'000	Fair value 31 March 2021 £'000	Balance sheet 31 March 2020 £'000	Fair value 31 March 2020 £'000
Financial assets held at fair value:					
Money market funds	1	40,234	40,234	14,506	-
Bond, equity and property funds	1	17,728	17,728	14,487	-
Loan to unlisted company	3	12,256	12,256		
Shares in unlisted companies	3	110	110	110	5,570
Financial assets held at amortised cost:					
Corporate, covered and government bonds	1	18,259	18,259	19,167	19,030
Short-term bank deposits	2	3,005	3,005	-	-
Short-term loans to local authorities	2	68,322	68,322		
Long-term loans to local authorities	2	10,542	10,542	27,500	28,209
Total Assets held at fair value		170,456	170,456	81,230	52,809
Assets for which fair value is not disclosed		21,241		49,185	
Total Financial Assets		191,697		130,415	
Recorded on balance sheet as:					
Long-term debtors		12,789.00		8,717	
Long-term investments		24,716.00		42,170	
Short-term debtors		20,284.00		5,706	
Short-term investments		93,253.00		59,189	
Cash and Cash Equivalents		40,655.00		14,633	
Total Financial Assets		191,697		130,415	

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The fair value of short-term financial assets including trade receivables (debtors), and short-term investments as loans and receivables, is assumed to approximate to the carrying amount.

The fair value of financial assets held at amortised costs is the same as the balance sheet carrying amount as the amortised cost is the value of the investment plus the interest.

The shares in unlisted companies comprise of Guildford Holdings Ltd, B4SH and Surrey Save Shares.

No credit loss adjustment has been made on the North Downs Housing Limited loans (shown in long-term debtors):

- The market valuation at 31 March 2021 of the 48 properties purchased prior to 1 April 2020 stood at £13.2 million.
- We purchased another 17 properties in 2020-21 with expenditure of £4.9 million, bringing the total asset value to be £18.1 million.
- The company is financed by through a loan (£11.141 million – plus £1.113M interest) and equity (£7.433 million) from the Council. The loan represents 60% of the company assets, while equity represents 40% of total assets.
- The company business plan always assumed it was loss making in the first 5 years, the purchase of properties has been slower than planned so it is therefore assumed the period of making a loss is now the first 8 years.
- The company is 100% wholly owned and the assets revert back to the Council if the company becomes insolvent.
- RICS March 2020 contains market information for the UK rental sector (particularly in the south east) <https://www.rics.org/uk/news-insight/research/market-surveys/uk-residential-market-survey>).
- In addition, unemployment is low locally which would indicate a steady property rental market going forward (<https://www.nomisweb.co.uk/reports/lmp/la/1946157330/report.aspx>)

Offsetting Financial Assets and Liabilities

Financial assets and liabilities are set off against each other where the Council has a legally enforceable right to sell off and it intends to either settle on a net basis or to realise the asset and settle the liability simultaneously. The only item offset on the balance sheet is the bank overdraft, which is shown within cash and cash equivalents. The Council had no other financial assets or liabilities subject to an enforceable master netting arrangement or similar agreement.

Gains and Losses

The gains and losses recognised in the CIES in relation to financial instruments consist of the following items:

2019-20					2020-21			
Financial Liabilities (amortised cost) £000	Financial Assets: Amortised cost £000	Financial Assets: Fair Value through P&L £000	Total £000		Financial Liabilities (amortised cost) £000	Financial Assets: Amortised cost £000	Financial Assets: Fair Value through P&L £000	Total £000
5,769	-	-	5,769	Interest expense	5,280	-	-	5,280
-	-	1,483	1,483	(Gains) / losses on revaluation	-	-	(1,232)	(1,232)
5,769	-	1,483	7,252	Total expense in Surplus on the Provision of Services	5,280	-	(1,232)	4,048
-	(981)	(1,137)	(2,118)	Interest income	-	1,699	748	2,447
-	(981)	(1,137)	(2,118)	Total income in Surplus on the Provision of Services	-	1,699	748	2,447
-	-	-	-	(Gains) / losses on revaluation	-	-	-	-
-	-	-	-	(Surplus) / deficit arising on revaluation of financial assets in Other Comprehensive Income and Expenditure	-	-	-	-
5,769	(981)	346	5,134	Net (gain)/loss for the year	5,280	1,699	(484)	6,495

Transaction Costs

Material transactions costs for financial assets and liabilities held at amortised cost are attached to the loan or investment and charged to the CIES over the life of the financial instrument. Immaterial transaction costs are charged in full to the CIES in the financial year in which they are incurred.

30. Nature And Extent Of Risks Arising From Financial Instruments

The Council has adopted CIPFA's Code of Practice on Treasury Management (and subsequent amendments) and complies with the Prudential Code for Capital Finance in Local Authorities (both revised in December 2017).

As part of the adoption of the Treasury Management Code, the Council approves a capital and investment strategy before the commencement of each financial year. The strategy sets out the parameters for the management of risks associated with financial instruments. The Council also produces treasury management practices specifying the practical arrangements to follow to manage these risks.

The capital strategy includes an Annual Investment Strategy in compliance with the MHCLG Guidance on Local Government Investments. This Guidance emphasises that priority is given to security and liquidity, rather than yield. The Council's capital strategy, together with its treasury management practices are based on achieving a suitable balance between risk and return or cost.

The council's activities expose it to a variety of financial risks:

- credit risk – the possibility that other parties might fail to pay amounts due to the Council
- liquidity risk – the possibility that the Council might not have cash available to make contracted payments on time
- market risk – the possibility that an unplanned financial loss might arise as a result of changes in market variables such as interest rates or equity prices.

Credit risk: Investments

The Council manages credit risk by ensuring that investments are placed with organisations of high credit quality and in line with the approved capital and investment strategy (the definition of high credit quality is set in the strategy). These include commercial entities with a minimum long-term credit rating of A-, the UK government, other local authorities, and organisations without credit ratings, or with a credit rating of below A-, where the Council has received

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independent investment advice. We have set our high credit quality criteria as A-, however we do have allowance in our capital strategy to invest in counterparties below this.

The capital and investment strategy also imposes a maximum sum the Council can invest with a financial institution or group other than the UK government. This is £10 million maximum, of which only £6 million may be on unsecured investments. The Council sets limits on investments in certain sectors. A maximum sum for long-term investments (greater than a year) is also set.

All investments in 2020-21 were in line with the Council's approved capital strategy.

The Council's maximum exposure to credit risk in relation to its investments in banks and building societies cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of non-recovery applies to all of the Council's deposits, but there was no evidence at the balance sheet date that this was likely to materialise.

£17.1 million of the Council's long-term investments are held in Covered bonds. Covered bonds are covered by a collateral pool of mostly residential mortgages (mostly 100% residential mortgages), and the pool is a greater amount than the bond is issued in, hence assigned an AAA rating. The reticence being, the collateral pool will have to constrict in value significantly before the amount covered in a bond issue is affected. Both the pool and the bond comply with FCA regulations which reduces the risk of substantial losses.

The table below summarises the credit risk exposures of the Council's investment portfolio by credit rating:

Investment type	Credit rating	Long term		Short term	
		31 Mar 21 £000	31 Mar 20 £000	31 Mar 21 £000	31 Mar 20 £000
Bonds	AAA	12,024	16,044	5,151	2,060
	AA+		12,000		27,498
	AA		-		-
Bonds	AA-		-	2,093	-
Local authorities	A+		-	5,001	
Local authorities	A		-	10,002	
Notice Account & Housing Association	A		6,000	9,010	8,040
Housing associations	A-		-	2,002	2,000
Bond held in custody			-		1,123
Local authorities	n/a	4,500	-	51,953	
Housing associations	n/a		-		5,007
Guildford Holdings	n/a	8,418	6,056		-
Surrey Save Shares	n/a	100	100		-
B4SH	n/a	10	10		-
Unrated building societies	n/a		-		-
Money Market Funds	AAA		-	39,223	14,506
Call Accounts	AA-		-	322	528
Investment Funds	n/a	1,970	1,960	15,758	13,060
Total Investments		27,022	42,170	140,514	73,822

Loss allowance on treasury investments have been calculated by reference to historic default data published by credit ratings. The resulting loss allowance was immaterial, so no

adjustment has been made in the accounts.

Trade Receivables

The Council does not generally allow credit for customers. Of the total trade debtors outstanding, £5.735 million, relating to services that the Council has invoiced for, is past its due date for payment. The past due amount can be analysed by age as follows:

31 March 2020		31 March 2021
£'000		£'000
2,362	Less than six months	3,382
108	Six months to one year	1,579
533	More than one year	876
3,003		5,837

The Council's credit risk on lease receivables is mitigated by its legal ownership of the assets leased, which can be repossessed if the debtor defaults on the lease contract. Loss allowances for receivables have been calculated based on historic information. Debts are deemed to be overdue when they are at least 30 days past their due date.

The value of debtors is higher in 2020/21 due to less debt recovering taking place because of Covid-19.

Liquidity risk

The Council has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. The Council has access to borrowing facilities via the Public Works Loans Board (PWLB) and other local authorities and at higher rates from banks and building societies and other financial institutions. There is no perceived risk that the Council will be unable to raise finance to meet its commitments.

The Council is exposed to the risk that it will need to refinance a significant proportion of its borrowing at the time of unfavourable interest rates. The Council's strategy is to plan carefully when new loans are taken out and making early repayments where financially advantageous. The risk is also managed by maintaining a spread of fixed rate loans ensuring loans mature at different times.

The Council would only borrow in advance of need where there is a clear business case for doing so.

The maturity analysis of the principal sums borrowed is as follows:

31 March 2020		31 March 2021
£'000		£'000
	Short Term Borrowing	
44,230	Less than one year	163,500
	Long Term Borrowing	
45,000	Over 1 but not over 2 years	0
30,000	Over 2 but not over 5 years	30,000
35,000	Over 5 but not over 10 years	35,000
25,000	Over 10 but not over 15 years	25,000
40,000	Over 15 but not over 20 years	40,000
17,435	Over 20 but not over 30 years	17,435
236,665	Total Borrowings	310,935

All trade and other payables are due to be paid in less than one year.

Market risk: Interest rate risk

The Council is exposed to risks arising from movements in interest rates on its borrowing and investments. Movement in interest rates have a complex impact on the Council. For instance, a rise in interest rates would have the following effects:

- borrowings at variable rates – the interest expense charged to the surplus or deficit on the provision of services will rise
- borrowings at fixed rates – the fair value of the borrowings will fall
- investments at variable rates – the interest income credited to the surplus or deficit on the provision of services will rise
- investments at fixed rates – the fair value of the investments will fall.

Investments measured at amortised cost and loans borrowed are not carried at fair value, so changes in their fair value will have no impact on the CIES.

Changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services. Movements in fair value of fixed rate investments measured at fair value will be reflected in Other Comprehensive Income and Expenditure or the Surplus or Deficit on the Provision of Services as appropriate.

The Capital and Investment Strategy aims to mitigate these risks by setting upper limits for fixed and variable interest rate exposures.

If interest rates had been 1% higher (all other variables being constant) the financial effect across the whole portfolio would be an increase in interest received of approximately £1.5 million, and an increase in interest payable on loans of approximately £3 million. The impact of a 1% fall in interest rates would be as above but with the amounts reversed.

Market Risks: Price Risk

The market prices of the Council's fixed rate bond investments and its units in pooled bond funds are governed by prevailing interest rates and the market risk associated with these instruments is managed alongside interest rate risk.

The Council's investment in a pooled property fund is subject to the risk of falling commercial property prices and its investment in a pooled equity fund is subject to the risk of falling share prices.. These funds are highly diversified and actively managed by FCA-regulated fund management companies with many years of experience which reduces the risk of substantial losses

The gain or loss on pooled funds are now classified as Fair Value through Profit and Loss, and charged to the FIIE line in the CIES, so all movements will have an impact in the year the movement incurred. The Government, however, has implemented a mandatory 5-year statutory override, in that the movement in year can be transferred out to a Financial Instrument Reserve via the MIRS.

Foreign Currency exchange risk

The Council has no financial assets or liabilities denominated in foreign currencies and thus has no exposure to loss arising from movements in exchange rates.

31. North Downs Housing Ltd

As at 31 March 2021, North Downs Housing Ltd had purchased 65 properties (41 at 31 March 2020), against the original business plan of 100 properties. The Council has invested £18.9 million (£13.6 million at 31 March 2020) in the company through a mix of equity and loan

finance.

Income for 2020-21 was £617,836 (£409,331 in 2019-20) with revenue expenditure of £382,336 (£296,431 in 19-20). There have not been any long-term voids.

The revised business plan assumes 23 further purchases in 2021-22.

32. Critical Judgements In Applying Accounting Policies

In applying the accounting policies, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events.

Although there is a degree of uncertainty about future levels of funding for local government the Council has determined that this uncertainty does not indicate that the assets of the Council might be impaired. The factors taken into account in concluding that the Council continues to be a going concern include our level of reserves, level of committed funding, budget and cash for the coming years, and the lack of proposed local government reorganisation.

Covid-19

Covid-19 has resulted in financial implications across the sector. The Narrative Statement provides more information relating to the Council. There is an impact on the pension fund valuation as a result of Covid-19, and also the asset valuations in the year. The main impact of COVID-19 and subsequent restrictions and lockdowns on the pension fund valuation can be summarised as:

- Asset returns and values have followed the market movements prompted by the pandemic and lockdowns, among other factors, which will therefore affect the asset share value;
- Bond yields and inflation expectations have also followed market movements, which will therefore affect the obligations value;
- Life expectancy assumptions have not been updated:
 - (a) the actuaries have not updated our baseline longevity tables due to the lack of relevant mortality data and analysis from the period of the pandemic for the Fund or Employer;
 - (b) the actuaries have not amended our future longevity trends assumption for Covid-19 specifically as the data is not yet available to make an evidence-based assessment on the pandemic's impact on longer term expectation

Property

In relation to the valuation of the Council's property assets on the balance sheet property markets are mostly functioning again, where there is a quantum of market evidence. Some asset types, including cinema, pubs/nightclubs and restaurants at the valuation date still continue to see unprecedented set of circumstances caused by Covid-19 and therefore an absence of sufficient / relevant market evidence on which to base judgements on. Certain assets in the portfolio are, therefore, are subject to material valuation uncertainty.

The value of PP&E on the Balance Sheet includes the value of certain land and buildings that were not formally revalued during the year under the Council's rolling programme of revaluations. The Council uses critical judgement to determine by how much the value of other land and buildings within PP&E on the Balance Sheet would have to be understated or overstated to mislead a user of the accounts and therefore to require these assets to be formally revalued.

Critical judgement has been used in identifying how assets are classified on the balance sheet. In particular, some assets that we hold to earn rental income are also held for

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economic development and regeneration purposes. However, as they are not used in the direct delivery of services they have been classified as investment property.

Also, some assets that are held for their historical interest are classified as PP&E rather than heritage assets because they are also used to provide a particular service.

Capital projects

The Weyside Urban Village project is a complex project with many elements and partners. The Council has an agreement with Thames Water and are making payments to them under the development agreement in relation to the moving of the Sewerage Treatment Works. These payments will continue until May 2026.

Leases

Critical judgement is also used in classifying our leases as either operating or finance leases.

Materiality

The Council has determined that a materiality level of £1 million is appropriate for inclusion of accounting policies and disclosure notes in the Statement of Accounts.

33. Assumptions Made About The Future And Other Major Sources Of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. The items in the Council’s Balance Sheet at 31 March 2021 for which there is a risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Business Rates	<p>Since the introduction of the Business Rates Retention Scheme effective from 1 April 2013, local authorities are liable for successful appeals against business rates charged to businesses in 2020-21 and earlier years, in their proportionate share.</p> <p>A provision of £11.384 million, of which the Council's share is £4.553 million, has been recognised for the best estimate of the amount that businesses have been overcharged up to 31 March 2021. The provision has been calculated using the Valuation Office ratings list of appeals and the analysis of successful appeals to date.</p>	<p>If the level of successful appeals varies by 1%, it would increase or decrease the appeals provision by £100,100, which in turn would increase or decrease the deficit on the Collection Fund by £100,100. The Council's share of the increase or decrease would be £40,040, which would increase or decrease the surplus on provision of services in the Comprehensive Income and Expenditure Statement.</p>
Property, Plant and Equipment (PP&E) and Investment property	<p>PPE and investment property are included in the balance sheet at fair value of £796 million and £152 million respectively. Chartered surveyors are engaged to provide expert advice in the assumptions to be applied when carrying out the valuations.</p> <p>Covid-19 impacted the global financial markets, and market activity in many</p>	<p>If the valuations were changed by 1%, it would increase or decrease the value of net assets on the balance sheet by around £8 million.</p> <p>There is less certainty on the valuations and a higher degree of</p>

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
	<p>sectors including property. For 2020/21 the majority of the market was recovering, but due to continuing effects of the pandemic a number of areas continued to be impacted – cinema, pubs and restaurants. There was insufficient reliable evidence so less weight to previous market evidence for comparison purposes was used. The valuations are based on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS red book global.</p> <p>Individual items of PP&E are depreciated over estimated useful lives that are partly dependent upon assumptions about the level of repairs and maintenance that will take place.</p> <p>If the Council were not able to sustain its level of spending on the repair and maintenance of its assets in the long term the estimated useful life assigned to individual assets would need to be reduced.</p>	<p>caution needs to be placed on the figures in the accounts. It is not possible to estimate how much of a financial impact this will have on the accounts, although this is for only a small number of assets in the accounts.</p> <p>If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls.</p> <p>Depreciation costs do not affect the Council's overall financial position as they form part of the adjustment between accounting basis and funding basis under regulations.</p>
Pensions Liability	<p>Estimation of the net liability to pay pensions of £143 million depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.</p>	<p>The effects on the net pension liability of changes in individual assumptions can be measured. For instance, a 0.5% decrease in the discount rate assumption would result in an increase in the pension liability of £37.676 million. A 0.5% increase in the salary increase rate would result in an increase in the pension liability of £3.336 million and a 0.5% increase in the Pensions increase rate would result in an increase in the pension liability of £33.565 million.</p> <p>During 2020-21, the Council's Actuary advised that the net pension's liability had increased by £29.7 million. This is as a result of an increase in the net discount rate (much lower discount rate, net of slightly higher inflation) over this period.</p>
Pensions – Covid 19	<p>There was considerable market volatility during 2020-21, which has led to additional material uncertainty regarding the Pension Fund's investment valuations, in particular private equity and pooled property investments. As these are illiquid assets, there is no direct correlation on the market value of these assets in comparison because of Covid-19.</p> <p>This uncertainty impacts both the Council and the Group Accounts</p>	<p>The effect of this is the assets held by the pension fund could decrease in value.</p>
Debtors	<p>At 31 March 2021, the Council was owed approximately £11.2 million. A review of</p>	<p>If collection rates were to deteriorate, a doubling of the</p>

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
	significant balances suggested that an allowance for doubtful debts of £1.1 million was appropriate. However, in the current economic climate it is not certain that such an allowance would be sufficient.	amount of doubtful debts would require an additional £2.1 million to set aside as an allowance.

34. Accounting Standards that have been issued but not yet adopted

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard that has been issued but not yet adopted.

These standards are:

- IFRS3 Business Combinations (Amendments)
- Amendments to IFRS9, IAS 39 and IFRS 7 relating to Interest Rate Benchmark Reform
- Amendments to IFRS9, IAS 39, IFRS7, IFRS4 and IFRS 16 relating to phase 2 of the Interest Rate Benchmark Reform

We are not expecting these to have a material impact on the Council's financial performance or financial position in 2021-22.

35. Related Parties

The Council is required to disclose material transactions with related parties (bodies or individuals) that have the potential to control or influence the Council or to be controlled or influenced by the Council.

UK Central Government

UK Central Government has significant influence over the general operations of the Council – it provides the statutory framework, within which the Council operates, provides funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (for example council tax bills, housing benefits). Grants received from Government departments are set out in note 10.

Councillors and Officers

Councillors have direct control over the Council's financial and operating policies.

- The Council paid grants totalling £643,033 (£508,060 in 2019-20) to voluntary organisations in which a number of elected councillors and officers had an interest or were acting as a nominee.
- Of that, the Council paid grants totalling £609,647 (£360,220 in 2019-20) to voluntary organisations in which a number of councillors and officers were acting as a Borough Council nominee.
- The Council gave support totalling £118,145 (£362,410 in 2019-20) to the Citizens Advice Bureau in which two councillors had an interest and one councillor was acting as Borough Council nominee. In all instances, the grants were made with proper consideration of declarations of interest and the relevant councillors, although able to take part in any discussion relating to these grants, were excluded from voting.
- The Council paid a grant of £13,376, (£22,840 in 2019-20) to a voluntary organisation in which one senior officer and one councillor declared an interest, and had no part in the decision to award the grant.

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GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

The Council controls North Downs Housing Limited and its parent company Guildford Borough Council Holdings Limited through its ownership of 100% of the shares of Guildford Borough Council Holdings Limited.

The Council invests in North Downs Housing Limited through a mixture of share equity (40%) and a 25-year secure variable rate loan (60%) at initial interest rate of Bank of England base rate plus 5%. The finance is used to purchase residential property within the borough.

At 31 March 2021, the Council had invested a total of £19.686 million (£14.306 million, in 2019-20 [re-stated]) in North Downs Housing, maintaining the funding ratio of loan to equity investment of 60:40. Shares in the parent company, Guildford Borough Council Holdings Limited, at 31 March 2021 totalled £7.432 million (£6.648 million in 2019-20), with the company continuing to own 100% of the share capital of North Downs Housing Limited.

The Council provides property management and administrative services to North Downs Housing Limited. During 2020-21, these services totalled £220,082 (£102,292 in 2019-20), of which all was unpaid at 31 March 2021.

Housing Revenue Account (HRA) Income And Expenditure Statement

The HRA Income and Expenditure Statement shows the income and expenditure related to providing council dwellings in accordance with generally accepted accounting practices. However, the Council is required to charge rent to cover expenditure in accordance with the legislative framework rather than on an accounting basis. The increase or decrease in the year of the HRA balance on the legislative basis is shown in the Movement on the HRA Statement.

2019-20		NOTE	2020-21
£000			£000
	Income		
	Gross Rent Income	1	
29,570	Dwellings		29,874
1,189	Non-dwellings		1,298
1,502	Charges for Services and Facilities		1,114
114	Supporting People Grant		203
32,375	Total Income		32,489
	Expenditure		
6,269	Repairs and Maintenance		6,453
5,650	Supervision and Management		4,461
67	Increased Provision for Bad or Doubtful Debts		0
5,641	Depreciation	8	5,686
5,534	Revaluation (gain)/loss		(175)
195	Debt Management Expenses		217
103	Other Expenditure		102
23,459	Total Expenditure		16,744
(8,916)	Net Income of HRA Services per Comprehensive Income & Expenditure Statement		(15,745)
269	HRA Share of Corporate & Democratic Core		285
(8,647)	Net Income of HRA Services		(15,460)
(28)	(Gain) / Loss on sale of HRA fixed assets		(107)
(356)	HRA Investment Income		(12)
5,159	Interest payable		4,902
0	Capital grants and contributions		(1,598)
(3,872)	Surplus for year on HRA services		(12,275)

Movement On The Housing Revenue Account (HRA) Statement

The Movement on the HRA Statement shows the increase or decrease in the HRA balance. This forms the basis on which rent levels are set. The statement includes an adjustment line which shows the difference between the surplus (or deficit) shown in the HRA Income and Expenditure Statement (the accounting basis) and the surplus (or deficit) for funding purposes (the legislative basis).

2019-20			2020-21
			£000
2,500	Balance on the HRA at the end of the previous year		2,500
3,874	Surplus for the year on the HRA Income and Expenditure Account	12,275	
4,055	Adjustments between accounting basis and funding basis under statute (see note 23 to the Accounts)	(6,113)	
7,929	Net increase before transfers to reserves	6,162	
(7,929)	Transfers to reserves (see note 12 to the Accounts)	(6,162)	
-	Increase in year on the HRA		0
2,500	Balance on the HRA at the end of the current year		2,500

Notes To The Housing Revenue Account

1. Gross Rent Income

This is the total rent income due for the year after allowance is made for voids etc. During the year, voids amounted to £1 million or 3.59% of gross rent income from dwellings (£663,421 or 2.24% for 2019-20). Average rents were £113.74 per week in 2020-21, an increase of £3.59 over the previous year.

2. Rent Arrears

At 31 March 2021, rent arrears were £1,220,592 (including £444,580 former tenant arrears) or 4.1% of gross rent income. The comparable figures for 2019-20 were £1,210,889 (including £922,405 former tenant arrears) or 4.1% of gross rent income.

The provision for bad debts at 31 March 2021 was £871,917. The comparable figure for 2019-20 was £907,953.

Amounts written off in the year amounted to £36,000 (£88,587 in 2019-20)

GUILDFORD BOROUGH COUNCIL STATEMENT OF ACCOUNTS 2020-21

3. Housing Stock

The Council was responsible for managing on average 5,231 dwellings in 2020-21, analysed below:

2019-20 Average		2020-21
2,642 Houses		2,647
2,257 Flats		2,265
319 Bungalows		319
5,218		5,231
2019-20		2020-21
5,207 Stock at 1 April		5,228
-19 Less Sales		-9
40 Other Adjustments		43
5,228 Stock at 31 March		5,262

4. Stock Valuation – Balance Sheet Basis

The basis for the balance sheet valuation of the Council’s housing stock is Existing Use Value – Social Housing (EUV – SH) as defined by the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual. The EUV – SH is broadly based on the vacant possession value of the properties, adjusted to reflect the occupation by a secure tenant. The valuation was carried out by Bruton Knowles, Chartered Surveyors. The date of the valuation was as at March 2021.

The balance sheet value increases where new dwellings and properties are built or acquired and when capital works that improve or significantly enhance the value of the assets are carried out. The balance sheet value reduces when assets are sold and are written out of the accounts. Depreciation is charged on assets and this also reduced the balance sheet valuation.

Valuations for HRA assets are:

31 March 2020		31 March 2021
£000		£000
510,105	Dwellings (valued at EUV - SH)	525,150
4,277	Other Operational Land and Buildings (valued at MV - EU)	4,007
40	Vehicles, plant, furniture and equipment	45
50	Infrastructure	43
139	Community Assets (historic cost)	139
6,452	Assets under construction	6,754
521,063	Total HRA Assets	536,138

Other operational land and buildings are valued at open market value in existing use.

GUILDFORD BOROUGH COUNCIL STATEMENT OF ACCOUNTS 2020-21

5. Stock Valuation – Vacant Possession Value

Valuation of dwelling stock at Vacant Possession Value within the HRA at March 2021 was £1.493 billion (£1.451 billion at March 2020). The vacant possession value and the balance sheet value of dwellings within the HRA show the economic cost to Government of providing council housing at less than open market rent.

6. Major Repairs Reserve (MRR)

The MRR is a reserve established by the Government as part of the resources accounting system in the HRA. Movements in the MRR during the year were:

2019-20		2020-21
£000		£000
9,234	Opening Balance at 1 April	9,852
5,641	Depreciation transferred from the HRA	5,686
(5,023)	Capital Expenditure on HRA assets financed from the Major Repairs Reserve	(3,661)
9,852	Closing Balance at 31 March	11,877

7. Capital Expenditure and Financing

The table below shows the total amount of capital expenditure incurred in the year together with the resources that have been used to finance it. Where capital expenditure has not been financed in the year, it results in an increase in the Capital Financing Requirement.

2019-20		2020-21
£'000		£'000
197,024	Opening Capital Financing Requirement	197,024
	<u>Capital Investment</u>	
7,173	Council dwellings	9,470
1,633	Assets under construction	3,148
15	Intangible assets	3
67	Revenue Expenditure Funded from Capital under Statute	65
	<u>Sources of finance</u>	
-	Capital Grants and Contributions	(1,599)
(1,492)	Capital Receipts	(2,607)
(5,023)	Major Repairs Reserve	(3,661)
(2,373)	Other reserves	(4,818)
197,024	Closing Capital Financing Requirement	197,025

Total capital receipts from disposals of land, houses and other property within the HRA during the financial year amounted to £1.988 million, before making any payments to Government on sales of houses under Right to Buy.

8. Depreciation

The charges for depreciation for the houses and other property within the HRA for the year are as follows:

GUILDFORD BOROUGH COUNCIL STATEMENT OF ACCOUNTS 2020-21

2019-20		2020-21
£000		£000
5,543	Dwellings	5,589
96	Other Operational Land and Buildings	88
6	Vehicles, plant, furniture and equipment	7
7	Infrastructure	6
5,652	Total HRA Assets	5,691

The depreciation amount has been calculated by the straight-line method in line with the Council’s policies for PP&E (see note 12).

9. Contributions to/from the Pensions Reserve

The HRA share of the contributions to the Pensions reserve is as follows:

2019-20		2020-21
£000		£000
708	Reversal of items relating to retirement benefits debited to the HRA	473
102	Employer's pensions contributions and direct payments to pensioners payable in the year	0
810	Contribution to the Pensions Reserve	473

Collection Fund

The Collection fund is an agent's statement that reflects the statutory obligation for billing authorities to maintain a separate Collection Fund. The statement shows the transactions of the billing authority in relation to the collection from taxpayers and distribution to local authorities, and the Government of Council Tax and Business Rates.

2019-20 £000	2019-20 £000		2020-21 £000	2020-21 £000
Council Tax	Business Rates		Council Tax	Business Rates
		INCOME		
	90,517	Income from Business Ratepayers - Note 2		45,241
110,273		Council Taxes	115,396	
		Distribution of prior year estimated deficit:		
	493	Central Government		0
621	99	Surrey County Council	0	685
104		Surrey Police & Crime Commissioner	0	
86	395	Guildford Borough Council	0	0
111,084	91,504	Total Income	115,396	45,926
		EXPENDITURE		
		Precepts		
82,552		Surrey County Council	87,129	
14,799		Surrey Police and Crime Commissioner	15,597	
11,499		Guildford Borough Council	12,069	
		Payment of Business Rates shares:		
	43,677	Central Government		43,392
	8,735	Surrey County Council		8,678
	34,941	Guildford Borough Council		34,713
	(101)	Transitional Protection payments		87
	227	Charge to General Fund for collecting NDR		231
353		Provision for council tax bad debts	3,439	
	857	Provision for business rates bad debts		2,300
	1,491	Provision for business rates appeals		4,055
		Distribution of prior year estimated surplus:		
		Central Government		6,208
		Surrey County Council		
		Surrey Police and Crime Commissioner		
		Guildford Borough Council		4,140
109,203	89,827	Total Expenditure	118,234	103,804
		COLLECTION FUND BALANCE		
(1,178)	(3,740)	Balance at the beginning of the year	703	(2,063)
1,881	1,677	Surplus/(deficit) for the year	(2,838)	(57,878)
703	(2,063)	Balance at the end of the year	(2,135)	(59,941)

Notes To The Collection Fund

1. General

These accounts represent the transactions of the Collection Fund, which is a statutory fund separate from the main accounts of the Council. The accounts are prepared on an accruals basis, and they are consolidated with the other accounts of the Council on an agency basis.

The overall balance on Fund as at 31 March 2021 was a deficit of £62 million, made up of a Council Tax deficit of £2.1 million and a deficit in relation to business rates of £59.9 million.

The year-end Collection Fund surplus in relation to council tax is distributed between billing (the Council) and precepting (Surrey County Council and Surrey Police and Crime

GUILDFORD BOROUGH COUNCIL STATEMENT OF ACCOUNTS 2020-21

Commissioner) authorities on the basis of estimates of the year-end balance made on 15 January 2021.

The year-end Collection Fund deficit in relation to business rates is distributed between billing and precepting (central government and Surrey County Council) authorities on the basis of year-end estimates made on 31 January 2021.

2. Income from Business Rates

The Council collects business rates for its area. These rates are based on local rateable values (£216,777,227 as at 31 March 2021) multiplied by a uniform rate (51.2p standard and 49.9p small business rate in 2020-21). Local authorities retain a proportion of the total collectable rates due. For Guildford in 2020-21, this share is 40%. The remainder in 2020-21 is retained by Surrey County Council (10%), and the Government 50%.

3. Income from Council Tax

The Council’s tax base, that is the number of chargeable dwellings in each valuation band (adjusted for dwellings where discounts apply) converted to an equivalent number of band D dwellings, was calculated as follows:

Band	Estimated number of taxable properties after effect of discounts	Ratio	Band D equivalent dwellings
Dis A	1.5	5/9	0.78
A	675.57	6/9	443.64
B	2,013.01	7/9	1,542.21
C	8,914.17	8/9	7,804.84
D	13,491.55	9/9	13,289.22
E	8,937.93	11/9	10,760.23
F	6,070.65	13/9	8,637.16
G	6,992.51	15/9	11,479.38
H	1,661.76	18/9	3,273.33
	48,758.65		57,230.79
	Plus adjustment for MoD properties and collection rates offset by anticipated changes during the year for successful appeals against valuation banding, new properties, demolitions, disabled person's relief, exempt properties and the Local Council Tax Scheme		414.60
			57,645.39

4. Collection Fund Provisions

The movement of the council tax bad debt provision during the year was as follows:

2019-20		2020-21
£'000		£'000
1,551	Balance at 1 April	1,906
356	Transfer (to) / from revenue	3,439
(1)	(Write offs)/write backs	0
1,906	Balance at 31 March	5,345

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GUILDFORD BOROUGH COUNCIL STATEMENT OF ACCOUNTS 2020-21

The movement on the business rates bad debt provision was as follows:

2019-20		2020-21
£'000		£'000
1,148	Balance at 1 April	2,000
857	Transfer from revenue	2,300
(5)	Write offs	0
2,000	Balance at 31 March	4,300

The movement on the business rates appeals provision was as follows:

2019-20		2020-21
£'000		£'000
8,437	Balance at 1 April	7,329
1,491	Transfer from revenue	8,160
(2,599)	RV list amendments	(4,105)
7,329	Balance at 31 March	11,384

Guildford Borough Council Group Accounts

Group Statement of Accounts 2020-21

Group Accounts and Explanatory Notes

Introduction

The CIPFA Code of Practice sets out a requirement for local authorities to prepare group accounts where the authority has interests in subsidiaries, joint ventures or associates, subject to consideration of materiality.

Guildford Borough Holdings Ltd was formed as a subsidiary company in the financial year ending 31st March 2017, as part of Guildford Borough Council strategy to diversify its income sources by commercial acquisition and rental of residential property.

The Council decided to set up a property investment company North Downs Housing Limited (“NDHL”) as the operational entity with Guildford Borough Holdings Limited (“GBCH”) as a holding company for the property company and other potential companies.

Set out below are the details of these subsidiary companies:

Name of the Subsidiary	Place of incorporation	Company Number	Proportion owned by the Council	
			2020-21	2019-20
Guildford Borough Holdings Ltd	England & Wales	10152910	100%	100%
North Downs Housing Ltd	England & Wales	10153122	100%	100%

Although these companies operate on a commercial basis, independent from Council policy, the Council finances the activities of these subsidiaries through equity investments and loans. The board of directors are appointed by the Council, and are subject to regulation and oversight from the Council's Executive Shareholder and Trustee Committee.

Because these companies are owned and controlled by the Council, Group Accounts provide an insight into the combined financial affairs of Guildford Borough Council and the group of companies it owns. While the Group Accounts are not primary statements, they provide transparency and enable comparison with other entities that have different corporate structures by showing the full extent of the Council's wider assets and liabilities.

The Group Accounts include the following:

- Group CIES - summarises the resources that have been generated and consumed in providing services and managing the Group during the year. It includes all day-to-day expenses and related income on an accruals basis.
- Group balance sheet – shows the assets and liabilities of £658.054M
- Group MIRS - shows the movement in the year on the Council's single entity usable and unusable reserves together with the Council's share of the Group reserves.
- Group Cash Flow Statement - shows the changes in cash and cash equivalents of the Group during the year. The statement shows how the Group generates and uses

GUILDFORD BOROUGH COUNCIL STATEMENT OF ACCOUNTS 2020-21

cash and cash equivalents by classifying cashflows as operating, financing and investing activities.

During the year group accounts of GBH holdings shows a net loss of £0.160 million (2019-20 £0.378 million) and owned investment property of £18.1 million (£13.1 million in 2019-20). The group accounts are shown in the appendices that follow.

Group Comprehensive Income and Expenditure Statement											
					2019-20					2020-21	
Gross Expenditure	Gross Income	Subs	Net Expenditure		Notes	Gross Expenditure	Gross Income	Subs	Net Expenditure		
£000	£000	£000	£000	Directorate		£000	£000	£000	£000		£000
26,551	(1,846)	196	24,900	Strategy		22,467	(1,623)		20,844		
78,780	(57,479)		21,300	Services		75,242	(50,976)	137	24,403		
3,669	(182)		3,487	Resources		11,650	(200)		11,450		
23,603	(32,250)		(8,647)	Housing Revenue Account		16,270	(32,013)		(15,743)		
0	0		0	COVID expenditure		7,466	(6,359)		1,107		
132,603	(91,758)	196	41,041	Cost of Services		133,095	(91,171)	137	42,062		
		(306)	5,896	Other operating expenditure	4			(375)	(12)		
		370	3,185	Financing and investment income and expenditure	5			452	(859)		
		(88)	(25,992)	Taxation and non-specific grant income	6			89	(24,922)		
		172	24,130	(Surplus) / Deficit on Provision of Services				303	16,269		
		207	(8,978)	(Surplus) / Deficit on revaluation of Property, Plant and Equipment assets	24			(143)	(13,635)		
			(11,489)	Remeasurements of the net defined benefit liability	24				29,493		
			0	(Upward) / downward movement on revaluation of financial instruments classified as Fair Value through Profit and Loss (FVPL)	24				0		
		207	(20,467)	Other Comprehensive Income and Expenditure				(143)	15,858		
		378	3,663	Total Comprehensive Income and Expenditure				160	32,127		

GROUP BALANCE SHEET

31 March 2020		31 March 2021
£000		£000
780,797	Property, Plant & Equipment	789,264
3,575	Heritage Assets	3,762
166,570	Investment Property	177,209
2,299	Intangible Assets	2,857
42,170	Long-term Investments	24,895
8,717	Long-term Debtors	534
1,004,128	Long Term Assets	998,521
44,883	Short-term Investments	93,253
431	Assets held for sale	0
439	Inventories	381
13,023	Short Term Debtors	52,416
14,698	Cash and Cash Equivalents	41,296
73,474	Current Assets	187,346
(44,492)	Short Term Borrowing	(163,772)
(33,175)	Short Term Creditors	(67,389)
(3,758)	Provisions	(5,959)
(81,425)	Current Liabilities	(237,120)
(192,435)	Long Term Borrowing	(147,435)
(113,567)	Other Long Term Liabilities	(143,258)
(306,002)	Long Term Liabilities	(290,693)
690,176	Net Assets	658,054
165,281	Usable Reserves	178,907
524,895	Unusable Reserves	479,146
690,176	Total Reserves	658,054

GUILDFORD BOROUGH COUNCIL STATEMENT OF ACCOUNTS 2020-21

GROUP CASHFLOW STATEMENT

2019-20		2020-21
£000		£000
	OPERATING ACTIVITIES	
(23,826)	Net surplus on the provision of services	(16,269)
63,244	Adjustments for non-cash movements (Note 22)	(775)
(21,736)	Adjustments for items included in the net surplus that are investing and financing activities (Note 22)	(12,800)
17,683	Net cash flows from Operating Activities	(29,844)
	INVESTING ACTIVITIES	
(29,446)	Payments for additions to long term assets	(28,262)
(85,436)	Payments for purchase of investments	(109,401)
(3,566)	Other payments for investing activities	(1,973)
15,753	Proceeds from the disposal of long term assets	4,559
60,127	Proceeds from disposal of investments	85,164
7,667	Other receipts from investing activities	10,038
(34,902)	Net cash flows from Investing Activities	(39,875)
	FINANCING ACTIVITIES	
72,000	Cash receipts of short and long-term borrowing	195,931
0	Other receipts from financing activities	0
(5,047)	Other payments from financing activities	17,132
(48,236)	Repayments of short and long-term borrowing	(116,746)
18,717	Net cash flows from financing activities	96,317
1,498	Net increase/(decrease) in cash and cash equivalents	26,598
13,201	Cash and cash equivalents at the beginning of the reporting period	14,698
14,699	Cash and cash equivalents at the end of the reporting period (Note 19)	41,296

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GROUP MOVEMENT IN RESERVES STATEMENT

	General Fund Balance £000	Housing Revenue Account £000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Contributions Unapplied £000	Subsidiary Reserves	Total Useable Reserves £000	Unusable Reserves £000	Total Reserves £000
2020-21									
Balance at 31 March 2019	47,741	94,345	13,931	9,853	559	(1,148)	165,281	524,894	690,174
Movement in Reserves during 2020-21									
Total Comprehensive Income and Expenditure	(28,240)	12,275	0	0	0	(160)	(16,125)	(16,001)	(32,126)
Adjustments between accounting basis & funding basis under regulations (Note 23)	37,864	(6,113)	(5,030)	2,025	176		28,922	(28,922)	0
Increase/(decrease) in 2020-21	9,624	6,162	(5,030)	2,025	176	(160)	12,797	(44,923)	(32,126)
Balance at 31 March 2021 carried forward	57,365	100,507	8,901	11,878	735	(1,308)	178,078	479,971	658,049

Balance at 31 March 2019	48,113	86,418	20,519	9,235	690	(772)	164,202	529,635	693,837
Movement in Reserves during 2019-20									
Total Comprehensive Income and Expenditure	(27,380)	3,872	0	0	0	(376)	(23,885)	20,673	(3,212)
Adjustments between accounting basis & funding basis under regulations (Note 23)	27,459	4,055	(6,588)	618	(130)		25,414	(25,414)	0
Increase/(decrease) in 2019-20	79	7,927	(6,588)	618	(130)	(376)	1,529	(4,741)	(3,212)
Balance at 31 March 2020 carried forward	48,192	94,345	13,931	9,853	559	(1,148)	165,732	524,894	690,626

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Appendix 1

Annual Governance Statement 2020-21**1. SCOPE OF RESPONSIBILITY**

- 1.1. Guildford Borough Council is responsible for ensuring that it conducts its business in accordance with the law and proper standards and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness.
- 1.2. In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs to facilitate the effective exercise of its functions, including arrangements for the management of risk.
- 1.3. The Council has considered the principles of the CIPFA/SOLACE framework *Delivering Good Governance in Local Government (2016)*, including compliance with the CIPFA publication on *The Role of the Chief Financial Officer in Local Government (2016)* in the preparation of this statement.
- 1.4. This statement explains how the Council has complied with the code and meets the requirements of regulation 4 of the Accounts and Audit Regulations 2015 in relation to internal control.

2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

- 2.1 The governance framework comprises the systems, processes, culture, and values by which the authority is directed and controlled and the activities through which it accounts to, engages with, and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and impact should those risks be realised and to manage those risks efficiently, effectively and economically.
- 2.3 The governance framework has been in place for the year ended 31 March 2021 and up to the date of approval of the statement of accounts.

3. GOVERNANCE FRAMEWORK

- 3.1 The Council is a complex organisation with an appropriately comprehensive governance framework that works in a dynamic environment and keeps its processes under constant review. A description of how the Council puts the principles of good governance, set out in the CIPFA/SOLACE framework into practice is set out in the following table along with recent achievements, developments, and areas for improvement.

Principles of Good Governance

Arrangements the Council has for delivering good governance

Recent achievements, developments and areas for improvement

A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

- Council’s Constitution, includes:
 - Council procedure rules for conduct at meetings
 - financial and procurement procedure rules
 - codes of conduct for Officers (reviewed in 2019) and Councillors
 - protocol on decision making by lead councillors
 - Protocol on Councillor/Officer Relations
 - arrangements for dealing with allegations of misconduct by councillors
- Probity in planning local code of practice (reviewed in 2019)
- Induction for new councillors and staff on standards of behaviour expected
- Staff performance framework includes behavioural framework & behaviour profiles are included within job descriptions
- Regular staff performance review in place
- Declarations of interest made and recorded at meetings
- Register of councillors’ interests maintained
- Register of gifts and hospitality maintained for Councillors and staff
- Anti-Fraud and Corruption Strategy
- Anti-Bribery Policy
- Whistle blowing policy

The Corporate Governance Task Group has reviewed and made recommendations to relevant decision-making bodies on the following matters:

- (a) *the Councillors’ Code of Conduct, including the policy on acceptance of gifts and hospitality (Council on 6 October 2020 and 19 May 2021)*
- (b) *the 15 best practice recommendations of the Committee on Standards in Public Life (CGSC¹ on 30 July 2020/Executive on 22 September 2020/ Council on 6 October 2020)*
- (c) *guidance on the use of social media by councillors (Executive on 22 September 2020)*
- (d) *the Protocol on Councillor/ Officer Relations (Council on 6 October 2020)*
- (e) *the draft Council Size Submission to the Local Government Boundary Commission for England*

Principles of Good Governance

Arrangements the Council has for delivering good governance

- Officer corporate governance group to monitor compliance with laws and council policies
- Officer health and safety group in place to monitor health and safety compliance
- Complaints policy in place
- Customer services manager monitors and reports on complaints performance to corporate management team and CGSC as part of the Corporate Performance Monitoring report
- Corporate Governance and Standards Committee (CGSC) in place whose remit is set out within the Constitution
- Overview and Scrutiny Committee (OSC) review of decision making
- Procurement strategy, policy and toolkit in place (updated in 2018)
- An officer Corporate Procurement Board (CPB) monitors compliance with the procurement strategy and policy
- All committee reports to Executive and Council require review of legal and financial implications to be completed and signed off by Monitoring Officer (MO) and Chief Finance Officer (CFO)
- Executive advisory boards in place to advise Executive on matters of strategic importance to the Council
- Monitoring Officer provisions in place

Recent achievements, developments and areas for improvement

(Council on 17 December 2020)

(f) approved draft Email Signature Guidance for councillors referred to the Corporate Governance and Standards Committee for approval.

The Task Group is currently working on, or has yet to review the following areas:

- the effectiveness of internal communications between officers and councillors
- proposals to promote transparency, and effective communications and reporting, including the Council's Communications Protocol.
- review of anomalies in the Constitution

Principles of Good Governance **Arrangements the Council has for delivering good governance**

Recent achievements, developments and areas for improvement

Corporate Procurement Board has met fortnightly throughout 2020-21 to improve governance arrangements around procurement, particularly where exemptions have been applied. A new procurement strategy was agreed by the Executive in June 2020 and revised and updated Procurement Procedure Rules were adopted by the Council in May 2021.

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B. Ensuring openness and comprehensive stakeholder engagement

- The Council's vision and priorities are set out in the corporate plan
- Consultation policy and community engagement strategy in place which adheres to consultation standards
- Freedom of Information Act performance monitored by corporate management team and CGSC. Log of FOI responses is published on the website
- Online council tax information published
- Transparency information published on website
- Records of decision making maintained and published on website
- Forward programme of committee meeting dates and agenda items published on-line with reporting dates adhered to
- Citizens' panel in place and regularly consulted with

In 2020 we undertook a public consultation on the Council's priorities for services and spending as part of the budget process. This was used to inform the savings strategy. The corporate plan is currently being updated.

Principles of Good Governance

Arrangements the Council has for delivering good governance

Recent achievements, developments and areas for improvement

- Active programme of focus groups and surveys undertaken for specific service initiatives
- Active use of social media and on-line tools to engage customers
- Regular council newsletter About Guildford issued electronically on a quarterly basis
- Consultation responses published on the Council's website (e.g. Local Plan)
- Recognition of the importance of and active engagement in key strategic partnerships such as Guildford Surrey Board, Health and Wellbeing Board, Local Enterprise Partnership (EM3) and service specific partnerships

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

- Corporate Plan 2018-2023 which sets out the Council's vision, key themes and priorities
- Performance Monitoring Reports against corporate plan priorities reported to Corporate Management Team and CGSC
- New Programme and project management system in place, and undergoing development
- Community engagement strategy
- Corporate risk register in place
- Financial risk register in place and used to inform the financial sustainability of the budget and adequacy of the level of reserves
- Monitoring of key performance indicators undertaken by corporate management team

Internal Audit of Risk management in 2020-21 found partial assurance and action plan for improvement is in place. The risk management framework, strategy and policy need significant update.

Principles of Good Governance

Arrangements the Council has for delivering good governance

- Committee report template now includes Climate Change/Sustainability Implications
- Business planning process and capital programme development aligned to the corporate plan through the new service planning and project and programme governance framework, bids for funding scored against achievement of corporate plan priorities
- Future Guildford Transformation Programme in place, overseen by the Future Guildford Board and regularly reported to Overview and Scrutiny Committee

Recent achievements, developments and areas for improvement

Internal Audit of performance monitoring also provided with partial assurance. The new framework introduced in 2020-21 needs to be embedded.

Future Guildford Phase B finally completed and transition to the new structure took place within 2020-21.

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

- D. Determining the interventions necessary to optimise the achievement of the intended outcomes
- Medium term financial strategy and plan in place, reviewed annually and published as part of the Council's budget book
 - Business planning process in place to align financial resources with corporate plan priorities
 - New mandate and business case process introduced for new projects and policies
 - Business planning guidance for managers in place and reviewed annually
 - Scrutiny of the budget and business planning bids by Joint Executive Advisory Board and Councillor task group
 - Forward Plan maintained on a rolling 12 month basis
 - Regular corporate management team and Executive liaison meetings held to discuss strategy
 - Directors and senior officers hold regular 1:1 meetings with Lead Councillors

Principles of Good Governance

Arrangements the Council has for delivering good governance

Recent achievements, developments and areas for improvement

- Corporate management team hold regular directorate level feedback sessions
- Service Leaders' group in place
- Transformation Board in place which monitors the transformation programme
- Major Projects Board in place to monitor the delivery of major projects
- Property Review Group in place to review all assets on a rolling programme and optimise property asset utilisation and performance
- Capital Programme Monitoring Group in place to monitor progress of capital projects, which are not major projects
- Consequences of COVID Pandemic and the Council's response reported to Executive and Council in May 2020 and then monitored by Overview and Scrutiny Committee throughout the year.

Due to the COVID pandemic the Major Projects Portfolio Board did not meet in 2020-21

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

E. Developing capacity, including the capability of leadership and the individuals within it

- Organisational development framework includes continuous performance and development reviews of staff through one to one meetings and clear job role profiles with behavioural profiles.
- The constitution sets out the role of statutory officers and the role of the Leader
- The Council is compliant with CIPFA guidance on the Role of the Chief Finance Officer (CFO)
- Head of Paid Service (HoPS), CFO, and MO are part of the corporate management team and always attend Executive-Management Team Liaison Group and full Executive meetings

Principles of Good Governance

Arrangements the Council has for delivering good governance

- Professionally trained staff in relevant fields in place and continuing professional development encouraged as part of performance and development framework
- Regular staff development training programme in place
- Active support for staff to obtain external qualifications
- Scheme of delegation and financial procedure rules in place
- Councillor development steering group in place which develops and implements an active programme of Councillor training
- Achievement of the South East Charter accreditation for Elected Member Development (January 2020)
- Recognition of the importance of and active engagement in key strategic partnerships such as Guildford Surrey Board, Health and Wellbeing Board Local Enterprise Partnership (EM3) and service specific partnerships
- Work with partners through the Local Resilience Forum

Recent achievements, developments and areas for improvement

Financial Procedure Rules need to be reviewed in 2021-22

Engagement with Key strategic partnership boards temporarily suspended during 2020-21 and the COVID pandemic. However, the Council has worked with partners through the multi-agency Local Resilience Forum and its Strategic Co-ordinating Group as required through the Surrey Emergency Plan

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

F. Managing Risks and performance through robust internal control and strong public financial management

- Internal audit work programme informed by risks
- Internal audit is outsourced, fully resourced and effective
- Compliance the CIPFA code on managing the risk of fraud and corruption
- Role of the overview and scrutiny committee is clearly set out in the constitution and its work programme is developed by the chairman, vice-chairman, and officers and agreed by the committee. Agendas and minutes are published online.
- Regular MO and CFO meetings in place to address statutory responsibilities

Risk management framework needs significant update as found by internal audit. Risk management at service and project level needs review and embedding and corporate risk register needs to be updated and regularly reported to CMT/CGSC.

Principles of Good Governance

Arrangements the Council has for delivering good governance

Recent achievements, developments and areas for improvement

- Officer corporate governance group oversees key governance, data protection and risk management information and receives reports from the health and safety group
- Role of the Corporate Governance and Standards Committee (CGSC) is clearly set out in the constitution and has an active work programme informed by the officer corporate governance group and agreed by the committee. Agendas and minutes are published online.
- A summary of internal and external audit reports is reported to CGSC on a regular basis along with annual Head of Internal audit opinion
- Progress against audit plan and individual audit recommendations are monitored and reported to CGSC
- Council has comprehensive data protection policies and a designated data protection officer who monitors compliance with legislation
- Information security risk group, led by the Senior Information Risk Owner in place which reviews the Council's information governance procedures and any necessary improvements
- CGSC receives regular financial monitoring reports
- All projects require a risk register and project board

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

G. Implementing good practices in transparency, reporting and audit to deliver effective accountability

- The Council publishes significant information on its website
- 'Style guide' in place to encourage officers to write reports in plain English
- Annual financial statements include a narrative summary on the Council's performance during the year as well as reporting the financial position

The Council does not currently produce a formal annual report; however, the CFO's Narrative Statement in the Council's Statement of Accounts reports the majority of information that an annual report would be expected to cover.

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Principles of Good Governance

Arrangements the Council has for delivering good governance

Recent achievements, developments and areas for improvement

- Effective internal audit function in place which complies with public sector audit standards and the CIPFA statement on the Role of the Head of Internal Audit
- Community engagement strategy in place
- Council has reaffirmed, and adopted as best practice, the position that all committee reports are made public unless there are unequivocal legal or commercial reasons to the contrary and that where practicable, information within a report which is legally exempt from publication should be isolated from the body of the report as a restricted appendix, with the remainder of the report made available to the public.
- All restricted committee reports now clearly and precisely state at the point the agenda is published all of the following:
 - (a) why the content is to be treated as exempt from the access to information publication rules.
 - (b) to whom within the Council the content is restricted
 - (c) when, following a period of exemption, the exempt information can be expected to be made public.
 - (d) details of how the decision to maintain the exemption may be challenged.
- Working group reports and minutes made available to all councillors.

The Council is compliant with the mandatory elements of the Local Government Transparency Code 2015 in respect of the publication of data.

The Corporate Governance Task Group, referred to above, will also be examining proposals to promote transparency and effective communications

4. REVIEW OF EFFECTIVENESS

- 4.1. The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit’s annual report, and by comments made by the external auditors and other review agencies and inspectorates.
- 4.2. The Head of Internal Audit (HoIA) is required to provide an annual opinion in accordance with Public Sector Internal Audit Standards (PSIAS), based upon and limited to the work performed on the overall adequacy and effectiveness of the Council’s risk management, control and governance processes (i.e. the system of internal control). This is achieved through a risk-based programme of work, agreed with Management and approved by the Corporate Governance and Standards Committee, which can provide assurance, subject to the inherent limitations.
- 4.3. The purpose of the HoIA Opinion is to contribute to the assurances available to the Accountable Officer² and the Council which underpin the Council’s own assessment of the effectiveness of the system of internal control. The opinion does not imply that the HoIA has covered all risks and assurances relating to the Council. The opinion is derived from the conduct of risk-based plans generated from a robust and Management-led Assurance Framework. As such it is one component that the Council takes into account in writing this Annual Governance Statement.
- 4.4. The HoIA Opinion for 2020-21 is one of: ‘Partial assurance with improvements required’. Whilst internal audit have noted robust aspects of the Council’s system of internal control, for example the ‘significant assurance with minor improvement opportunities’ achieved in 2020-21 in respect of the payroll control environment, there are multiple areas that received ‘partial assurance with improvements required’ and will require prioritised attention in 2021-22, for example, implementing and embedding the new risk management framework and the performance monitoring framework.

5. INTERNAL AUDIT STATEMENT

- 5.1 The HoIA Opinion was presented to the Council’s Corporate Governance and Standards Committee on 25 March 2021 (see HoIA Opinion 3). In 2020-21, there were 11 planned pieces of work. Over the year, 9 reviews were completed, and two reviews were deferred to the 2021-22 audit plan. The results of the work carried out in the year to 31 March 2021 are shown in the table below:

Assurance Rating	Number of Audits	
Significant Assurance	0	0%
Significant Assurance with minor improvement opportunities	1	11%
Partial assurance with improvements required	7	78%
No Assurance	0	0%
No Opinion (one-off projects) Value for Money	1	11%
In progress (Inc. fundamental service reviews)	0	0%

² The Chief Finance Officer ³ The Opinion forms part of Appendix 1 of Agenda Item 7

5.2 Internal audit reports provide management recommendations designed to address weaknesses in the system of internal control. The outcomes of these audits are reported on a summary basis to the CGSC every quarter giving councillors an opportunity to understand the Council's compliance with key controls and to discuss any areas of concern with the auditors. We also update councillors on the progress with implementation of recommendations. In 2020-21, Internal Audit raised 6 high priority recommendations as follows:

- 2 high priority recommendations relate to our local risk management review: these related to the introduction of a consistent council-wide local risk management framework and the implementation and roll-out of the newly designed risk management processes and procedures that were in progress at the time of the audit review
- 2 high priority recommendations relate to performance monitoring KPIs. These related to the implementation of the newly designed internal performance reporting framework and the staff sickness absence KPI.
- 2 high priority recommendations relate to the Income and Accounts Receivable and Expenditure and Accounts Payable reviews. These relate to the availability of evidence to support that controls have operated in line with design. Due to the implementation of Business World and the compounding difficulties that have arisen due to the Covid-19 pandemic. There has been difficulty accessing the required documentation to facilitate completion of the compliance testing and the reviews were therefore limited to reviewing the design of controls. These review areas will be revisited in the 2021-22 audit plan to complete compliance testing in these areas.

5.3 During 2020-21 the Council faced unprecedented challenges from COVID, with significant and varied operational pressures. In addition, the Future Guildford programme of transformation and re-organisation remains ongoing and, as part of this, the Council has further system implementations. Against this challenging backdrop of the pandemic alongside organisational transformation, during 2020-21 the Council received seven 'partial assurance with improvements required' reports, including in the areas of core financial control, risk management and data quality.

6. SIGNIFICANT GOVERNANCE ISSUES AND ACTION PLAN

6.1. This year has been unprecedented; the Council has undertaken a period of transformational change whilst at the same time responding to the COVID 19 pandemic and continues to face on-going financial pressures. As a result of this challenging environment, it is recognised that there has been a reduction in the good governance arrangements the Council normally prides itself upon. Where we have identified areas for further improvement, we will take the necessary action to implement changes that will further develop our governance framework.

Progress on Governance Issues reported in the 2019-20 Annual Governance Statement:

6.2. The significant governance issues arising in 2019-20 and progress made against them are shown in table below:

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

Area	Actions Agreed	Progress Made
Openness and Transparency	<p>To implement the Council motion from October 2019</p> <p>Set up a task group to implement concerns raised.</p>	<p>Task group has met a number of times and reported its findings. A summary of progress is set out in the table in paragraph 3.1 above</p>
Governance support for GBC Holdings Ltd and North Downs Housing Ltd	<p>Concerns over Finance and Legal involvement in the governance and financial arrangements of the two companies established by the Council. However, the external auditor had acknowledged that the core business processes operated satisfactorily. The Business Plan is currently out of date and is in the process of being reviewed and updated.</p>	<p>KPMG carried out an audit of the companies which was completed in 2020-21 and reported to the CGSC on 14 January 2021. The audit gave partial assurance with improvements required and an action to address identified improvements. There was one high priority improvement relating to terms of reference for the company boards and the Council's governance around performance reporting. The recommendations will be subject to Audit follow up review in 2021-22.</p>
Project Management	<p>The Major Projects Portfolio Board was working well and was raising corporate awareness of project management and providing a new overview of the process. However, not all projects had boards and were not operating as well as they could. There were concerns that several projects with considerable contingency funds were overspending and that information and cost reports were not being fed back to Finance. We need to ensure that there are consistent processes and measurable outcomes.</p>	<p>The Strategy and Communications team have recently implemented revised Programme and Project Governance Framework and are collating all projects across the Council for monitoring purposes.</p>

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

Area	Actions Agreed	Progress Made
Procurement	We are a complex authority and we recognise that the procurement processes need to be as efficient as possible. We control certain areas of spend very tightly but we need to achieve economies of scale by rationalising contracts and understanding more fully our category spend.	A new procurement strategy has been approved by Executive along with an updated set of procurement procedure rules during 2020-21. This includes a gateway approval process for high value contracts. The Corporate Procurement Board is overseeing procurement compliance across the Council.
ICT Asset Management	Following reports of a discrepancy in some of the Council's ICT equipment we carried out an audit review which found that there were inconsistent asset management controls which resulted in a loss of some equipment and, if not rectified, would have put the Council's assets at risk. However, the financial controls that were in place operated as intended and highlighted the issue.	Asset management of portable ICT equipment is carried out through the NetHelpDesk system in the Resources case team.

6.3 In addition, there were a number of follow-up reviews from 2019-20, which were revisited in 2020-21. The follow up audit revealed that of the recommendations made in the previous year, 9 had been fully implemented, 6 recommendations were partially implemented and 9 were not yet implemented. These will be subject to further follow up review during 2021-22.

New Governance Issues arising in 2020-21:

Impact of COVID-19 pandemic

6.4 Although the lockdown due to the coronavirus outbreak started in the last week of the 2019-20 financial year, the subsequent impact on the Council's services and governance arrangements has been considerable, occurring as it did at a time of organisational transformation, and ongoing financial uncertainties regarding the future funding of services and major projects. The impact has continued through 2020-21 as various easing and then tightening of restrictions have been made by government. It is anticipated that some impact will continue into 2021-22 and possibly the medium-term.

6.5 The Council has adhered, and responded at pace, to government guidance in response to the pandemic. Priorities were necessarily changed to focus on the need to support our most vulnerable residents, local businesses, and essential services. More recently the Council has been supporting the vaccination programme. Business as usual changed substantially to accommodate new expectations and services introduced by government and to work with our partners in the Local Resilience Forum, but key processes and functions have been maintained. The impact of the

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

pandemic will inform the review of our key priorities in the Council's Corporate Plan, which commenced in 2019, and our medium-term financial plan.

- 6.6 The Council's response to the pandemic was discussed, at length, at various meetings of the Overview and Scrutiny Committee during the year, at which the Managing Director outlined the ongoing impact of the crisis on local residents and businesses, and the help and support provided by the Council. The Committee was reminded of timelines and governance relating to COVID-19 and advised of the Council services that had been maintained and suspended in the crisis. In addition, the Managing Director informed the Committee of the new and extended services delivered by the Council during the emergency. The financial impact of the pandemic on the Council has been monitored through both the Overview and Scrutiny Committee and the Corporate Governance and Standards Committee. A new COVID monitoring report to monitor economic indicators associated with the response and recovery was introduced and regularly reported to Councillors via email.
- 6.7 The government introduced changes to the Accounts and Audit Regulations 2015 as a consequence of the pandemic to extend the statutory audit deadline for 2020-21 and 2021-22 for all local authorities. The publication date for audited accounts will move from 31 July to 30 September 2021 for all local authority bodies.
- 6.8 The government also made regulations under the Coronavirus Act 2020 to allow councils to conduct meetings and take decisions in ways other than face to face so that decisions can still be made to maintain good governance, and principles of openness and accountability. The Council initially adapted its approach by assessing which decisions could be delayed and re-scheduled and which decisions needed to be made to deal with the pandemic. Remote meetings were then instigated in April 2020 to ensure that transparency and good governance prevailed and also to allow access to the public and press. Remote meetings have continued to May 2021.
- 6.9 Demands on IT systems and staff will be considerable as most office-based staff continued to work remotely for significant periods of time. Procedures are in place to deal with a phased and safe return to work as lockdown restrictions are eased but to also transition the Council to a more agile working policy for the longer term.
- 6.10 The continued financial uncertainty regarding government funding of local government beyond 2020-21 has, to a large extent, been over-ridden by the financial challenges associated with funding the effects of the COVID-19 pandemic, which creates a significant challenge in terms of budget setting and medium-term financial planning.
- 6.11 An ongoing assessment of the impact of the COVID-19 pandemic on the Council's services and systems will be needed to ensure good governance.

Compliance with CIPFA Financial Management (FM) Code

- 6.12 2020-21 is a 'shadow year' for the implementation of the CIPFA FM Code. As such, an assessment of the extent to which the authority complies with the Code has been undertaken by the Director of Resources. The authority is confident that it is generally compliant with the Code but has identified some key areas where improvements could be made as follows:

- (a) Further financial training and guidance for budget managers and staff across

the authority is required

- (b) A review of the performance of the Corporate Governance and Standards Committee against the CIPFA Audit Committee Guidance would be beneficial
- (c) The Council could benefit from a formal external financial resilience assessment
- (d) Financial benchmarking reports should be reported to Councillors on an annual basis
- (e) The Council should establish a long-term 10 to 20-year financial plan and vision, which should include scenario planning
- (f) The Council's asset management framework, policy and guidance should be updated along with introducing a formal asset management plan.

Risk Management

- 6.13 During 2020-21, an internal audit review of risk management found partial assurance with improvements required. The audit recommended introduction of a consistent council-wide risk management framework. It found that there are no central processes or specific guidance mandating how risk should be managed at a local or project level. As a result, the auditors recommended updating the existing 'Risk management strategy and framework' on a more regular basis and communicating this to relevant staff so that there is a clear, consistent approach to risk management. The audit also recommended that a revised risk management framework be implemented; formally devising a plan that unifies the risk management documents, processes and required actions at a corporate and local risk level.

Performance Management and Monitoring

- 6.14 During 2020-21, an internal audit review of performance management found partial assurance with improvements required. The audit recommended implementation of the internal performance reporting framework through development of the new performance reporting framework – ensuring that there is a clear schedule of KPIs to be reported, including definitions of KPIs, roles and responsibilities for preparation and frequency of reporting. The audit also found a need to improve the collection and quality of data and systems used to calculate some performance indicators.

Core Financial Systems

- 6.15 During 2020-21, an internal audit review of core financial systems found partial assurance with improvements required. The audit raised two high priority recommendations related to the availability of evidence to support controls operating. Implementation of Business World coupled with COVID has impacted the availability of the required documentation. Financial records with relevant supporting evidence must be available to demonstrate that the Council has maintained a robust control environment at all times.
- 6.16 During 2020-21, the Council has carried out regular payroll reconciliations to ensure that net pay totals are correct and have been reconciled to the payment run summary sheets. However, regular reconciliations of payroll deductions posted into the General Ledger via the payroll control account were not undertaken. BusinessWorld is an integrated Enterprise Resource

Planning system and entries into the general ledger via the payroll control account are automatic, so there had been an assumption that reconciliation may not be necessary. Issues recently identified in relation to payroll costing into the general ledger has identified a need to still complete a reconciliation between the general ledger and the Payroll Control Account.

7. ASSURANCE SUMMARY

- 7.1 Good governance is about running things properly. It is the means by which the Council shows it is taking decisions for the good of the people of our area in an equitable and open way. It recognises the standards of behaviour that support good decision-making: collective and individual integrity, openness and honesty. It is the foundation for the delivery of good quality services and fundamental to showing that public money is well spent.
- 7.2 During 2020-21, the Council faced unprecedented challenges from COVID, with significant and varied operational pressures. In addition, the Future Guildford programme of transformation and re-organisation remains ongoing and as part of this the Council has further system implementations. Against this challenging backdrop of the pandemic alongside organisational transformation, during 2020-21 the Council received seven 'partial assurance with improvements required' reports, including in the areas of core financial control, risk management and data quality.
- 7.3 We confirm, to the best of our knowledge and belief, that this Statement provides an accurate and fair view.



Leader of the Council on behalf of Guildford Borough Council



Managing Director on behalf of Guildford Borough Council

Glossary

Accrual – the recording of income and expenditure when it becomes due rather than when the cash is paid or received.

Accruals basis – accounting for income or expenditure when it becomes due rather than when the cash is paid out or received.

Appropriations – amounts transferred to or from revenue or capital reserves.

Balance Sheet – a statement which shows the value of the Council's assets and liabilities on a specific day. The final accounts show the value of the assets and liabilities as at 31 March.

Business Rates Retention Scheme – introduced by the Government in April 2013, the scheme means that each council retains some of the business rates generated in its area. The Government still controls the rateable value of the properties and the rate in the pound to be paid.

Capital commitment – a commitment to make a capital payment under a contract.

Capital expenditure – expenditure to purchase or construct a fixed asset, or expenditure adding to the value of an existing fixed asset. Expenditure that does not enhance an asset, such as repairs and maintenance expenditure, is not capital expenditure.

Capital Financing Requirement (CFR) - the monies required to finance capital expenditure.

Capital Receipt – relates to the money from the sale of a fixed asset. Capital receipts can only be used to pay for new capital expenditure or to repay outstanding loans. Capital receipts cannot be used to finance revenue expenditure.

Cash Equivalents – these are short term, highly liquid investments that are readily convertible into cash. They are subject to an insignificant risk of a change in value.

Cash Flow Statement – this shows the movement in cash and cash equivalents in the year.

Chartered Institute of Public Finance and Accountancy (CIPFA) – this is the professional organisation for accountants working in the public sector.

Code (The) – the Code of Practice on Local Authority Accounting in the United Kingdom. This is the code produced by CIPFA/LASAAC that sets out how councils should show transactions in their accounts and the format of the accounts.

Collection Fund Revenue Account – this shows the transactions relating to national non-domestic rates (NNDR) and council tax. This fund shows on whose behalf Guildford Borough Council collects the amounts due and how these monies are distributed.

Comprehensive Income and Expenditure Statement – this shows all the income and expenditure in the year.

Contingency – an amount of money set aside for unforeseen items of expenditure.

Depreciation – a reduction in the balance sheet value of a fixed asset due to either wearing out, consumption, or other reduction in its useful economic life, whether arising from use, passage of time or obsolescence, through technological or other changes.

Earmarked Reserve – money set aside for future use on a specific area of expenditure.

Financial Asset – a right to future economic benefits controlled by the Council.

Financial Liability – an obligation to transfer economic benefits controlled by the Council.

Financial Instrument – a contract that gives rise to a financial asset of one entity and a financial liability or equity investment of another entity.

Financial Year – the year that the accounts relate to. The financial year starts on 1 April and ends on 31 March the following year.

General Fund (GF) – the Council's main revenue fund credited with charges, grants etc. and to which the costs of services are charged. However, separate accounts are maintained for other aspects of council activities, particularly the Collection Fund.

Heritage Assets – assets which are held and maintained principally for their contribution to knowledge and culture. These include monuments such as Guildford Castle, civic regalia at the Guildhall, the art collection at Guildford House Gallery, sculptures and artwork around the Borough and the museum collection at Guildford Museum.

Housing Revenue Account (HRA) – an account used to record the income and expenditure related to council housing. The Housing Revenue Account is ring-fenced from the rest of the General Fund. This is to ensure that the expenditure on managing tenancies and maintaining council houses is funded by rents charged to council tenants.

Housing Revenue Account Income and Expenditure Statement – this shows the income and expenditure relating to the provision of council housing.

Impairment – a reduction in the balance sheet value of a fixed asset.

International Accounting Standard (IAS) – these are the international accounting standards which state how balances, transactions and other events must be calculated and shown in the accounts.

International Financial Reporting Standards (IFRS) - these are the international financial reporting standards which state how balances, transactions and other events must be calculated and shown in the accounts.

Internal Borrowing – Internal borrowing occurs when rather than raising external borrowing to pay for capital expenditure, the Council uses cash, which would otherwise be externally invested.

Investment – a long-term investment is an investment held for use on a continuing basis in the activities of the Council for 365 days or more. A short-term investment relates to the investment of surplus funds for 364 days or fewer.

Investment Property – a property that is used to earn rental income.

LASAAC – Local Authority (Scotland) Accounts Advisory Committee.

GUILDFORD BOROUGH COUNCIL DRAFT STATEMENT OF ACCOUNTS 2020-21

Lease – a lease is a contract for the hire of a specified asset. The lessor owns the asset but transfers the right to use the asset to the lessee for an agreed period in return for the payment of specified rentals. A **finance lease** transfers all the risks and rewards of ownership, such as the cost of repairs and maintenance, to the lessee. All other leases are classified as **operating leases**.

Lessee – an organisation to whom a lease is granted.

Lessor – the owner of an asset who leases it to a third party

Local Council Tax Support Scheme (LCTSS) - introduced by the Government in April 2013. Under the LCTSS, council tax payers who previously received a benefit payment, now receive a discounted council tax bill instead.

Long term – a term of 365 days or more.

Minimum Revenue Provision (MRP) – the minimum amount which must be charged each year to the Council's General Fund revenue account and set aside as provision for credit liabilities. There is no MRP requirement for the Housing Revenue Account (HRA).

Movement In Reserves Statement (MIRS) – this shows the movement in the year on the different reserves held by the Council.

Out-turn – actual income and expenditure.

PPE – Property, Plant and Equipment i.e. tangible assets that are held for use in the production or supply of goods and services, for rental to others, or for administrative purposes, and expected to be used for at least part of the succeeding financial year.

Precept – a charge levied by a council. Precepts are levied by Guildford Borough Council, Surrey County Council, Parish Councils and the Surrey Police and Crime Commissioner.

Provision – an amount, set aside in the accounts, for likely liabilities incurred but where the amounts or dates on which they will arise are uncertain.

Prudential Code – a code produced by CIPFA that Councils are required to follow when deciding upon their programme for capital expenditure.

Revenue expenditure – the day-to-day costs incurred by the Council. This is distinct from capital expenditure.

Right to Buy – the right of council tenants to buy their council houses at a discount.

S106 income – money received from planning obligations under Section 106 of the Town and Country Planning Act 1990 (as amended).

Short term – a term of 364 days or fewer.

Straight line basis – depreciation that is charged on a straight line basis is charged in equal amounts for each year of the useful economic life of the fixed asset.

Trade payables – amounts owed to third parties when goods or services have been received but not yet paid for

Trade receivables – amounts due from third parties where goods or services have been supplied

Unapplied capital receipts – capital receipts which have not been used.

Usable reserves – those that the Council can use to finance expenditure or reduce local taxation.

Unusable reserves – these cannot be used to finance expenditure or reduce local taxation. These include reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts only become available if the assets are sold; and reserves that hold timing differences.

Vacant Possession Adjustment Factor - a vacant possession adjustment factor of 32% means that the Council values its council houses at 32% of their open market value in the Balance Sheet. The percentages used are set by central government. The vacant possession adjustment factor is used to reflect that a council owned property has a lower open market value when it is occupied by a tenant.



Southern Internal Audit Partnership

Assurance through excellence
and innovation

GUILDFORD BOROUGH COUNCIL INTERNAL AUDIT PROGRESS REPORT MAY 2023

Prepared by: Iona Bond, Assistant Head of Partnership

June 2023

1. Role of Internal Audit

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

‘Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

The standards for ‘proper practices’ are laid down in the Public Sector Internal Audit Standards [the Standards – updated 2017].

The role of internal audit is best summarised through its definition within the Standards, as an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisations’ operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisations’ objectives.

2. Purpose of report

In accordance with proper internal audit practices (Public Sector Internal Audit Standards), and the Internal Audit Charter the Chief Internal Auditor is required to provide a written status report to ‘Senior Management’ and ‘the Board’, summarising:

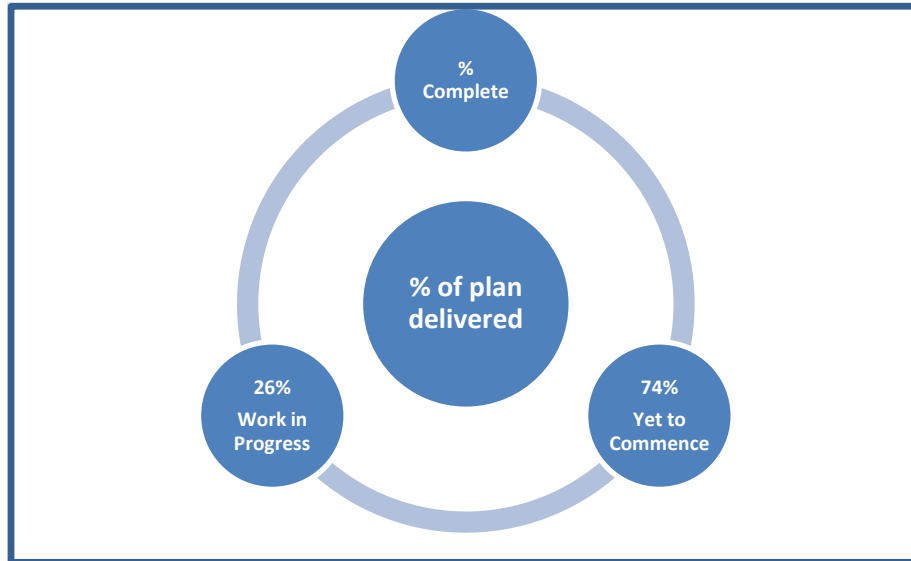
- The status of ‘live’ internal audit reports;
- an update on progress against the annual audit plan;
- a summary of internal audit performance, planning and resourcing issues; and
- a summary of significant issues that impact on the Chief Internal Auditor’s annual opinion.

Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management objectives of the service area under review. The assurance opinions are categorised as follows:

Substantial	<i>A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.</i>
Reasonable	<i>There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.</i>
Limited	<i>Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.</i>
No	<i>Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.</i>

* Some reports listed within this progress report (pre 2023-24 audit plan) refer to categorisations applied by the Council’s previous internal auditors – KPMG. The definitions applied to these categorisations is provided at Annex 3. Opinions applied to all work from 2023/24 are in accordance with the CIPFA standard definitions.

3. Performance dashboard



Compliance with Public Sector Internal Audit Standards

An 'External Quality Assessment' of the Southern Internal Audit Partnership was undertaken by the Institute of Internal Auditors (IIA) in September 2020. The report concluded:

'The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles.'

'We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.'

4. Analysis of 'Live' audit reviews

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Total Management Action(s)*	Not Yet Due	Complete	Overdue		
							L	M	H
2022/23 KPMG Reviews									
Performance Monitoring	June 22	T&G, PL	Significant (minor improvement opportunities)	4 (0)	4 (0)				
Customer Services – Complaints Handling	Aug 22	T&G	Partial	10 (6)	2 (0)	7 (6)	1		
Payroll	Sept 22	T&G	Significant (minor improvement opportunities)	3 (0)	0 (0)	1 (0)		2	
Risk Management	Oct 22	T&G	Significant (minor improvement opportunities)	5 (0)	5 (0)				
IT Infrastructure for Remote Working	Nov 22	CW	Significant (minor improvement opportunities)	6 (0)		2	4		
Redevelopment Projects	Jan 23	PL	Partial	12 (5)	5 (0)	0		2	5
Budgetary Control	Feb 23	T&G	Partial	9 (5)	9 (5)				
S106 Contributions	Mar 23	PL	Significant (minor improvement opportunities)	6 (0)	6 (0)				
Core Financial Controls – Journals	Mar 23	T&G	Significant (minor improvement opportunities)	3 (0)	3 (0)				
Payroll Budget Discrepancy	Mar 23	T&G	Partial	5 (3)	5 (3)				
Core Financial Controls – General Ledger	Mar 23	T&G	Significant (minor improvement opportunities)	4 (0)	4 (0)				
2023/24									
No reports yet finalised									
Total							5	4	5

*Total number of actions (total number of high priority actions)

Audit Sponsor (Joint Strategic Director)		
Community and Wellbeing (CW)	Place (PL)	Transformation and Governance (T&G)

5. Executive Summaries of reports published concluding a ‘Limited’ or ‘No’ assurance opinion

There have been no reports published concluding a “Limited” or “No” assurance opinion to date for 2023/24.

6. Planning & Resourcing

The internal audit plan for 2023-24 was presented to the Corporate Management Board and the Corporate Governance and Standards Committee in March 2023.

The audit plan remains fluid to provide a responsive service that reacts to the changing needs of the Council. Four adjustments to the plan have been made since the plan was approved by this Committee in March 2023 and these are reflected within section 8 of this report. Progress against the plan is detailed within section 7.

7. Rolling Work Programme

Audit Review	Sponsor	Scoping	Terms of Reference	Fieldwork	Draft Report	Final Report	Assurance Opinion	Comment
Corporate								
Savings Realisation	T&G							Q3
Procurement	T&G	✓	✓	✓				
Health and Safety (Corporate)	PL							Q3
Governance								
Information Governance	CW	✓	✓	✓				
Fraud Framework	T&G							Q2
Decision making and Accountability	PL							Q3
IT								
Cyber Security	CW							Q4
Identity and Access Management	CW							Q3
Core Financial								
Accounts Receivable and Debt Management	T&G	✓	✓					
Housing Benefits	T&G							Q2

Audit Review	Sponsor	Scoping	Terms of Reference	Fieldwork	Draft Report	Final Report	Assurance Opinion	Comment
Main Accounting	T&G							Q3
Homes and Jobs								
Housing Voids	CW	✓						
Housing Allocations	CW	✓						
Responsive and Emergency Repairs	CW							Q4
Building Control	T&G							Q3
Environment								
Fleet Operations	PL							Q2
Community								
Safeguarding	CW							Q4
Supporting Vulnerable People	CW	✓	✓	✓				
Other								
Car Parks and Enforcement	T&G							Q2

8. Adjustments to the Internal Audit Plan

The following adjustments to the plan have been made.

Plan Variations	
Removed from the Plan	Reason
Risk Management	Audited in 2022/23 by KPMG, no significant issues identified.
Payroll	Audited in 2022/23 by KPMG, no significant issues identified.
Planned Maintenance	Removed to accommodate housing Allocations as a higher priority
Added to the Plan	Reason
Fraud Framework	Anti-Fraud and Corruption Strategy being reviewed and updated. Management request to review changes. This will be undertaken encompassing a wider review of the corporate fraud framework.
Main Accounting	Following review of the completed KPMG 2022/23 report and management /Member concern around budget monitoring this has been added for 2023/24.
Housing Allocations	Brought forward from 2025/26 as considered a higher priority area by management

Overdue 'High Priority' Management Actions

Redevelopment Projects – Partial Assurance			
Observation: It is crucial that the Council monitors their contractual spend against the original contracted value and where there are large variances, involve procurement and legal advice as per the Council's Procurement Procedure Rules. Variation in contractual scope should formally require procurement and legal advice.			
Management Action	Original Due Date	Revised Due Date	Latest Service Update
Develop a complete WUV procurement activity tracker including contract value against current spend	31.05.2023	TBC	None – response to enquiry not received due to other resource pressures.
Reconcile purchase orders to contract value in the procurement tracker on an ongoing basis	31.05.2023	TBC	None – response to enquiry not received due to other resource pressures.
Ensure re-procurement process is initiated where the spend has reached 150% of the contract value.	31.05.2023	TBC	None – response to enquiry not received due to other resource pressures.
Require legal and procurement sign-off where there is variation to scope of contract.	31.05.2023	TBC	None – response to enquiry not received due to other resource pressures.
Review the resource capacity within supporting teams, such as Procurement, Legal, and Finance as well as the WUV project team, to ensure processes to track procurement activity can be embedded	31.05.2023	TBC	None – response to enquiry not received due to other resource pressures.

Overdue 'Low & Medium Priority' Management Actions

Audit Review	Report Date	Opinion	Priority	Due Date	Revised Due Date
Customer Services – Complaints Handling	Aug 2022	Partial	Low	31.03.2023	30.09.2023
Payroll	Aug 2022	Significant	Medium	31.12.2022	30.09.2023
			Medium	31.12.2022	30.09.2023
IT Infrastructure for Remote Working	Nov 2022	Significant	Low	31.01.2023	31.12.2023
			Low	31.01.2023	31.12.2023
			Low	31.01.2023	31.12.2023
			Low	31.12.2022	31.10.2023
Redevelopment Projects	Jan 2023	Partial	Medium	30.04.2023	TBC
			Medium	30.04.2023	TBC

Assurance Opinion	Definition
Significant assurance	The system is well designed and only minor low priority management actions have been identified related to its operation. Might be indicated by priority three only, or no management actions (i.e. any weaknesses identified relate only to issues of good practice which could improve the efficiency and effectiveness of the system or process).
Significant assurance with minor improvement opportunities	The system is generally well designed however minor improvements could be made and some exceptions in its operation have been identified. Might be indicated by one or more priority two management actions. (i.e. there are weaknesses requiring improvement but these are not vital to the achievement of strategic aims and objectives - however, if not addressed the weaknesses could increase the likelihood of strategic risks occurring).
Partial assurance with improvements required	Both the design of the system and its effective operation need to be addressed by management. Might be indicated by one or more priority one, or a high number of priority two management actions that taken cumulatively suggest a weak control environment. (i.e. the weakness or weaknesses identified have a significant impact preventing achievement of strategic aims and/or objectives; or result in an unacceptable exposure to reputation or other strategic risks).
No assurance	The system has not been designed effectively and is not operating effectively. Audit work has been limited by ineffective system design and significant attention is needed to address the controls. Might be indicated by one or more priority one management actions and fundamental design or operational weaknesses in the area under review. (i.e. the weakness or weaknesses identified have a fundamental and immediate impact preventing achievement of strategic aims and/or objectives; or result in an unacceptable exposure to reputation or other strategic risks)

Guildford Borough Council

Report to: Corporate Governance & Standards Committee

Date: 27 July 2023

Ward(s) affected: n/a

Report of Director: Community Wellbeing/Place/Transformation & Governance

Author: Rosie Trussler, Specialist – S106, Development Management

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Lead Councillor responsible: George Potter

Tel: 07411 005115

Email: george.potter@guildford.gov.uk

Report Status: Open

Section 106 Monitoring Report

1. Executive Summary

- 1.1 This report provides the Committee with a schedule showing the details of Section 106 contributions that have been secured, received, and spent as at the date of the report. In cases where the contribution has not yet been spent this report shows whether the contribution has been committed to a project.
- 1.2 Section 106 Agreements can be used to secure financial contributions towards infrastructure. The Council will only seek contributions where a proposed development creates additional need or exacerbates an existing deficiency and where it complies with the three tests set out in the Community Infrastructure Levy Regulations 2010 (as amended).

- 1.3 Section 106 Agreements are recorded and monitored using a module of the main planning database called Acolaid, from the signing of the agreement to spending the contributions. The Council's Finance team keep a monitor of income and spend of developer contributions. As at 31 March 2023, there was a balance of £1,961,341.81 for GBC S106 contributions and £13,588,744.99 for the SPA Reserves as well as £10,775,176.55 for Surrey County Council (SCC) and other relevant bodies, these sums being developer contributions that have been received but not spent or passed to relevant bodies.
- 1.4 Detailed information on Section 106 contributions towards infrastructure are in the Section 106 Monitoring Report appended to this document. The information has been split into four main sections, S106 Expired Funds, S106 Funds Available, S106 Pending Funds and S106 Spent Funds.

2. Recommendation to Committee

That the Section 106 Monitoring Report be noted.

3. Reason(s) for Recommendation:

To ensure that the Committee is informed of the extent to which S106 funds are available, pending, and spent/committed.

4. Exemption from publication

No

5. Purpose of Report

- 5.1 This report provides the Committee with a schedule showing details of Section 106 contributions secured, received, and spent. In cases where the contribution has not yet been spent this report shows whether the contribution has been committed to a project.

6. Strategic Priorities

- 6.1 This is a factual report which sets out the status of Section 106 contributions as at the date of the report. As such, it is not considered this report has any impact on the strategic priorities of the Council.

7. Background

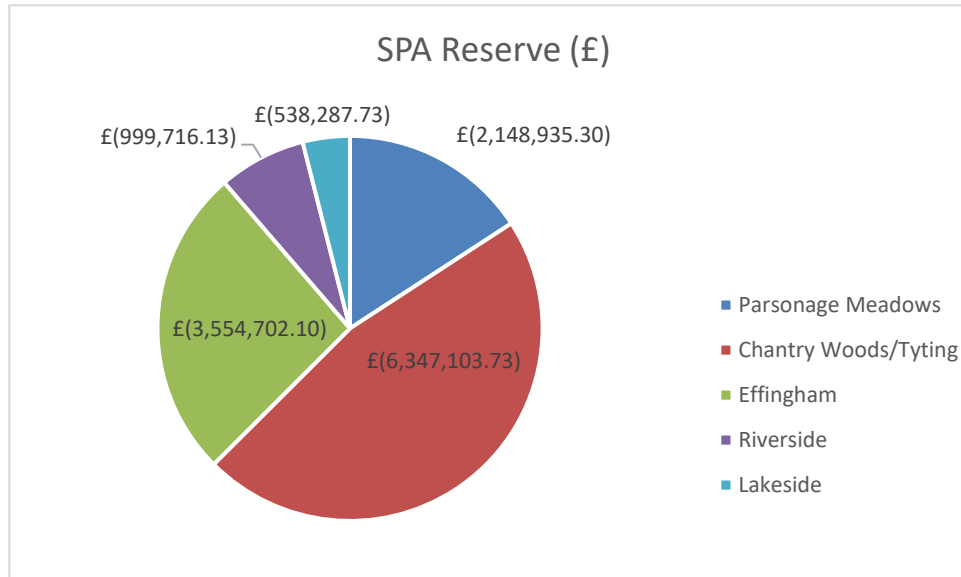
- 7.1 Section 106 of The Town and County Planning Act 1990 allows for legal agreements to be entered into to mitigate the impacts of a proposed development. Legal agreements are also commonly referred to as Section 106 or S106 Agreements.
- 7.2 Section 106 Agreements can be used to secure financial contributions towards infrastructure. The Council will only seek contributions where a proposed development creates additional need or exacerbates an existing deficiency and where it complies with the three tests set out in the Community Infrastructure Levy Regulations 2010 (as amended).
- 7.3 A planning obligation may legally only constitute a reason for granting planning permission for the development if the obligation is:
- a) Necessary to make the development acceptable in planning terms
 - b) Directly related to the development; and
 - c) Fairly and reasonably related in scale and kind to the development
- 7.4 Section 106 Agreements are recorded and monitored using a module of the main planning database called Acolaid, from the signing of the agreement to spending the contributions. The Council's Finance team keep a monitor of income and spend of developer contributions.
- 7.5 Many of the Section 106 contributions are collected on behalf of other organisations such as Surrey County Council (SCC), Integrated Care Board (formerly Clinical Commissioning Groups), Surrey Police, etc. These contributions are passed on to the organisations in accordance with provisions of the relevant Section 106 Agreement.

The contributions GBC is responsible for spending are allocated and spent by the relevant spending officer or team.

- 7.6 The Council's Planning Contribution Supplementary Planning Document 2017 identifies the contributions that are likely to be required by this Council and SCC.
- 7.7 As well as securing contributions towards infrastructure improvements, Section 106 Agreements are used to secure mitigation in relation to Special Protection Areas (SPAs). A financial contribution towards Suitable Alternative Natural Greenspace (SANG) and Strategic Access Management and Monitoring (SAMM) is required when a development proposes a net increase in residential units within 5km of the SPA.
- 7.8 The SANG contribution is allocated to one of the Council's five strategic SANG sites, which are Chantry Woods, Lakeside Nature Reserve, Effingham Common, Riverside Nature Reserve and Parsonage Watermeadows, and is used for the delivery, maintenance, and management of the allocated SANG and cannot be used towards a different SANG or infrastructure improvements. The contribution is used for initial capital enhancement, maintenance, and replacement of infrastructure for 125 years and the costs of managing the SANG. The SPA tariff is set by the Thames Basin Heath SPA Avoidance Strategy 2017 and the tariff is updated annually.
- 7.9 The SAMM contribution is secured on behalf of Natural England and is for the SAMM measures which include wardens, signage, leaflets, and education materials for the purpose of avoiding recreational impact to the SPA. SAMM Contributions are passed on to Natural England quarterly.
- 7.10 SANG and SAMM contributions are not allocated and spent in the same way as infrastructure contributions and have not been included in the S106 Monitoring schedule appended to this report. At 31 March 2023, there was £13,588,744.99 in the SPA reserve, which is

the total across the 5 strategic SANGS and £444,988.26 in SAMM contributions which was passed on to Natural England.

7.11 The following chart shows the breakdown of SPA reserves across the 5 strategic SANGS.



7.12 In addition to any financial contributions, legal and monitoring fees are recorded. Legal fees begin at £772.50 and increase according to the complexity of the Section 106 Agreement and towards the Council’s costs incurred in the negotiation, preparation, and execution of the Agreement. The monitoring fee is £800 per trigger (e.g. Commencement or Occupation) and towards the Council’s costs incurred in monitoring and ensuring compliance with the Section 106 Agreement. The following table shows the total legal and monitoring fees received in 2022-23.

S106 Fee Received 2022/23	£
Legal Fees	£69,288.47
Monitoring Fees	£81,249.39

7.13 Comparison to Previous Report

	September 2022	June 2023
Total Available Uncommitted	£6,383,787.98	£6,747,212.70
Total Available Committed	£4,562,232.35	£3,256,059.24
Total Expired	£196,365.05	£103,613.17
Total Pending	£19,176,776.47	£18,248,123.47
Total Spent	£2,658,580.45	Refer to para 3.17

7.14 The total amounts available uncommitted has increased as more funds have been received and await allocation to an appropriate project.

7.15 The total available committed has decreased as funds have been spent on the project to which they had been allocated.

7.16 Since the September 2022 report, we have worked closely with the relevant officers to get the expired funds allocated and spent, and as a result the total amount that has expired has reduced since the last report.

7.17 The total pending contributions have reduced as further contributions have become due and been paid.

7.18 Since the previous report, further funds have been spent or passed on to the relevant organisations and as such the amount spent in the last 12 months has increased. This also includes any contributions that were paid directly to SCC in accordance with the relevant S106 agreement. The total shown on page 115 of the appended report is incorrect due to an error with the summary table, which will be corrected for the next report. However, the individual records shown from pages 116 are correct.

7.19 Returned Contributions

Since the previous report two contributions towards traffic regulation order amendments have been returned to the developer, the details of which are shown in the below table,

18/P/01155 TRO Contribution	£10,419.68
18/P/02226 TRO Contribution	£3,000

7.20 SCC were responsible for these contributions and have said the following:

“In the intervening period, between this planning permission being granted and the present day, Surrey County Council updated its parking policies relating to permit eligibility for new developments. As such, it is no longer considered appropriate, nor necessary, to amend the traffic regulation order (TRO) every single time a development (large or small) is built with an address that is situated on a road within one of the current permit catchment areas. As the new development is not eligible for parking permits under our policies, it does not need a TRO amendment to be made. SCC is therefore comfortable for the money to be handed back to the developer on this occasion”.

7.21 Detailed information on Section 106 contributions towards infrastructure are in the Section 106 Monitoring Report appended to this document. The information has been split into four main sections, S106 Expired Funds, S106 Funds Available, S106 Pending Funds and S106 Spent Funds.

7.22 Expired Funds

The first section of the attached S106 Monitoring Report shows a summary table of the Expired Funds followed by detailed records of each of the relevant contributions. S106 contributions are considered expired when the spend by period has expired and the contribution remains uncommitted, these are shown coloured red in the Available Funds section of the report.

- 7.23 The Expired Funds summary table shows the total funds by purpose type that are uncommitted and are red and also how much is for GBC and SCC/other organisations. As per the summary table there is currently a total of £103,613.17 that is uncommitted with an expired spend by date.
- 7.24 As per the summary table there are currently no contributions for SCC that are potentially at risk of being returned. SCC were provided with details of contributions that were previously at risk and have provided confirmation of the relevant spend projects which means that those contributions are now committed to a project.
- 7.25 Regular updates are sent quarterly to SCC notifying it of any new funds and requesting details of the spend projects. S106 contributions are passed on to SCC on completion of the relevant works or when SCC has confirmed that it is committed to carrying out a project for the works.
- 7.26 GBC is the spend authority for the £103,613.17. These uncommitted funds are discussed with relevant spend officers or teams to ensure the funds are committed to appropriate spend projects. Regular six monthly spend meetings are held with relevant officers to ensure funds are allocated and spent in accordance with the provisions of the relevant S106 Agreement.
- 7.27 The contributions within GBC's responsibility are towards the following purposes, Environmental Improvements, CCTV and Drainage.
- 7.28 The engineers' team has provided details of projects that have already taken place which has allowed some older contribution to be spent and are continuing to work towards getting the remaining expired contributions allocated and spent. Where appropriate the

CCTV contributions will be considered for any town centre CCTV improvements.

- 7.29 Due to restructure changes over the last few years some of the spend officers and teams have changed and as a result there is no longer a dedicated team for the spending of environmental improvement contributions. We have been investigating whether other teams will be able to take on spending the expired environmental improvement contributions, such as Parks, Leisure and carparking and will continue to liaise with these teams.

7.30 Available Funds

Available Funds section of the appended report provides details of Section 106 contributions that have been received and not yet spent. This section shows whether the unspent contribution has been committed to a project or if a project has not yet been identified. As requested previously by the Committee, this section has been shown by ward. The committed and uncommitted sub totals are shown alongside the ward heading.

- 7.31 In some cases, the Section 106 Agreement will place a restriction on when the contribution must be spent by, this varies but can often be 5, 10 or 15 years from receipt of the contribution. Following this period, the developer may request the return of any unspent contributions. It should be noted that contributions that are allocated, committed, or earmarked for a project would be considered as spent.
- 7.32 Funds showing as uncommitted have been colour coded according to the spend by period, where such a restriction exists. The colour coding is as follows:
- (a) Blue, this contribution does not have any spend by restrictions,
 - (b) Green, this contribution is well within the spend by period,
 - (c) Amber, this contribution has 180 days until the expiry of the spend by period,
 - (d) Red, the spend by period has expired.

7.33 Funds received through S106 Agreements must be spent in accordance with the provisions of the related S106 Agreement and must be spent on the infrastructure type or specific project set out in the Agreement.

7.34 Available Funds Example;

Records: Available Funds Key: Red = At risk of refund Amber = 180 days until risk of refund Green = Not at risk Blue = Cannot expire

17/P/02692 P: Ash W: Ash South & Tongham Section 106 Signed Agreement Date: 29/03/2019				
Land south of, Ash Lodge Drive, Ash, Guildford				
Purpose Type	Project Details (10)	Uncommitted	Committed	Spent
Purpose Number: 1 - Highway improvement contribution	1 Bus Strategy & bus infrastructure improvements	£0.00	£0.00	£354,119.96
	2 Towards passenger transport feasibility study to determine improvements within vicinity of the site	£0.00	£0.00	£194,273.94
	3 Funds Awaiting Allocation	£398,938.97	£0.00	£0.00
Purpose Number: 2 - Early Education (SCC)	4 Funds Awaiting Allocation	£55,874.67	£0.00	£0.00
Purpose Number: 3 - Primary education contribution (SCC)	5 Funds Awaiting Allocation	£1,446,087.52	£0.00	£0.00
Purpose Number: 4 - Secondary education contribution (SCC)	6 Funds Awaiting Allocation	£1,072,065.50	£0.00	£0.00
Purpose Number: 5 - Travel Plan (SCC)	7 Funds Awaiting Allocation	£99,999.00	£0.00	£0.00
Purpose Number: 6 - Other contribution: Ash Road Bridge Contribution.	8 Ash Road Bridge	£0.00	£824,631.71	£0.00
Purpose Number: 7 - Police	9 Funds Awaiting Allocation	£9,000.00	£0.00	£0.00
Purpose Number: 8 - Surrey CC Other: Libraries Contribution.	10 Funds Awaiting Allocation	£111,705.18	£0.00	£0.00
Totals:		£3,113,671.84	£824,631.71	£548,393.90

This contribution falls under the 'Other' purpose type and is described as the Ash Road Bridge Contribution. The full contribution is shown as committed to the Ash Road Bridge Project.

In this example the contribution was received towards Highway Improvements. The contribution has been partially spent on projects 1 and 2. The remaining £398,938.97 held by GBC has not yet been committed to a project and is coloured green as it is within the spend by period and as such not at risk of being returned.

7.35 Pending Funds

The Pending Funds section of the report provides details of the contributions that have been secured by Section 106 Agreements but have not yet been paid.

7.36 Previously this section of the report showed Section 106 Agreements signed since 1 April 2019; however, at the request of the Committee this date criterion has been removed and as such some older Agreements will now be shown in the Pending Funds section of the report.

7.37 Some older Section 106 Agreements will likely be superseded by newer planning permissions and Agreements. There are also a couple of Agreements that will remain pending as the development has technically been implemented but not built out to a point that

triggers the payment of the S106 contributions, these applications are extant and could be continued to be built out at any time.

7.38 The Section 106 Agreement will set out the trigger point for payment of each contribution which can vary but is most often at commencement or occupation of the development.

7.39 It should be noted that these contributions will not be received if the planning permission expires before the development is implemented.

7.40 Pending Funds Example

Records: Pending Funds

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Early Education (SCC)	£67,305.00	On commencement
Purpose Number: 2 - Primary education contribution (SCC)	£273,656.94	On commencement
Purpose Number: 3 - Other contribution Footbridge Contribution.	£50,000.00	Prior to occupation of not more than 90 Dwellings
Purpose Number: 4 - Healthcare	£50,000.00	On commencement
Purpose Number: 5 - Highway improvement contribution	£110,000.00	Prior to first Occupation
Purpose Number: 6 - Secondary education contribution (SCC)	£295,578.56	Prior to first occupation
Purpose Number: 7 - Public art contribution	£25,000.00	On commencement
Purpose Number: 8 - Recreational open space contribution	£100,000.00	Prior to first Occupation
Purpose Number: 9 - Other contribution Road Bridge. Road Bridge.	£500,000.00 £500,000.00	Prior to first Occupation Prior to Occupation of 50 dwellings
Purpose Number: 10 - Town Hall (SCC)	£4,000.00	Prior to first occupation
Purpose Number: 11 - Highway improvement contribution	£5,000.00	On commencement
Total:		£1,981,140.50

This contribution has been secured towards Early Education and is due on commencement of the planning permission

This contribution falls under the 'Other' purpose type and is described as secured towards the Road Bridge project. The contribution will be paid in two equal payments prior to first occupation of the planning permission development and prior to occupation of 50 dwellings.

7.41 Spend History

The final section of the report shows contributions spent in the last 12 months and the project that they were spent on. This is shown on a rolling 12-month basis; therefore, it will always show 12 months from the date of the report.

7.42 Contributions passed on to other organisations such as Surrey County Council are considered as spent and are shown here:

7.43 Spent History Example;

In this instance one Section 106 contribution was spent in October 2021. The related planning permission details are shown alongside the summary details of the project that the contribution was spent on.

Records: Spend History			
2021			Total for 2021: £2,828,872.25
November		Month Total: £98,353.66	
Application Details:		Project Details:	Spent:
17/P/00509	P: Christchurch W: Christchurch Land at Guildford College Campus, Stoke Road, Guildford, GU1 1EZ	Travel Plan Monitoring	£6,645.03
17/P/00529	P: Tongham W: Ash South & Tongham Land adjacent to The Granary, Grange Road, Tongham, GU10 1DJ	Hotspots Scheme (A31/A331)	£79,502.08
17/P/02158	P: Ash W: Ash South & Tongham Land north of, Grange Road, Ash, GU12	Travel Plan Monitoring	£4,904.95
19/P/01210	P: West Horsley W: Clandon & Horsley 20 The Street, West Horsley, Leatherhead, KT24 6AX	Notice Boards, West Horsley PC	£7,301.60
October		Month Total: £110,000.00	
Application Details:		Project Details:	Spent:
20/P/01271	P: Onslow W: Onslow 3, 4, 5 & 9 Midleton Industrial Estate Road, Guildford, GU2 8XW	Sustainable transport measures to provide a toucan crossing at the junction of Midleton Road/Woodbridge Road	£110,000.00

8. Consultations

8.1. None

9. Key Risks

9.1 In some cases, the contribution may become at risk of being returned to the developer if the contribution has not been spent, allocated or committed for spend by the end of the spend by period set by the Section 106 Agreement.

9.2 The period which the contribution should be spent varies but can often be 5, 10 or 15 years from receipt of the contribution. Following this period, the developer may request the return of any unspent contributions.

9.3 Contributions that are allocated, committed, or earmarked for a project would be considered as spent and as such are not at risk of being returned.

9.4 Pursuant to paragraphs 7.22 to 7.28 there is £103,613.17 currently uncommitted and at risk of being returned should the developer request the return of any unspent contributions.

10. Financial Implications

10.1 Where GBC is the spending authority we budget and monitor contributions and expenditure within our own monitoring reports. This includes:

- S106 receipts which are held on the balance sheet. Under the financial regulations, schemes that are fully funded by s106 receipts can be added to the capital programme, where they have been approved by the relevant Lead Councillor and Director in consultation with the Lead Specialist - Finance and,
- GBC is also required, under accounting practices, to hold endowment funds received as developer planning contributions in earmarked reserves for the long-term repairs and maintenance expenditure on Special Protection Areas (SPAs) or Suitable Alternative Natural Greenspaces (SANGs), these reserves are required to fund the revenue costs of SPA/SANGs in perpetuity.

10.2 The funds for SCC and other authorities are held on our balance sheet as a creditor but are not budgeted for and do not form part of the Capital and Investment Strategy. These amounts are passed to the relevant authorities upon receipt of a qualifying invoice.

10.3 The following table shows the balances in hand (i.e., contributions received but not spent or passed to relevant bodies) as at 31 March 2023 for both the S106 balance sheet and the SPA (SANGs) Reserve:

BALANCES as at 31 March 2023	£
s106 - GBC	1,961,341.81
SPA Reserves	13,588,744.99
s106 - SCC/Other	10,775,176.55

11. Legal Implications

11.1 There are no direct legal implications arising from this report.

12. Human Resource Implications

12.1. No HR implications apply

13. Equality and Diversity Implications

13.1 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.

14. Climate Change/Sustainability Implications

14.1 No such implications apply.

15. Conclusion

15.1 This is a factual report of information which is held by the Council to the Corporate Governance and Standards Committee. No options are necessary.

16. Background Papers

None

17. Appendices

Appendix 1: Section 106 Monitoring Report (as at 4 May 2023)

Section 106: Committee Report

Report Date: 04/05/2023

Introduction:

This report provides the Committee with a schedule showing the details of Section 106 contributions that have been secured, received, and spent as of the date of the report.

In cases where the contribution has not yet been spent this report also shows whether the contribution has been committed to a project.

Contents:

-
1. **Summary: Expired Funds**
 2. **Records: Expired Funds**

 3. **Summary: Available Funds**
 4. **Records: Available Funds**

 5. **Summary: Pending Funds**
 6. **Records: Pending Funds**

 7. **Summary: Spend History**
 8. **Records: Spend History**

Summary: Expired Funds

Expired Funds

Funds showing as uncommitted, and that are red, relate to funds for which the "spend by" period has expired.

The following table not only shows the total funds by purpose type that are uncommitted, and are red, but also how much is for GBC, SCC or other organisations.

Purpose:	Uncommitted:
Environmental Improvement Contribution	£31,069.51
Other Contribution	£72,543.66
Grand Totals Available:	£103,613.17
Of which SCC/Other:	£0.00
Of which GBC:	£103,613.17

Records: Expired Funds

Ash South & Tongham

Obligations with Expired "Spend By" Dates

12/P/00645		P: Ash	W: Ash South & Tongham	Section 106 Signed Agreement Date: 03/04/2013
1-60 Parsons Way, Tongham, FARNHAM, GU10 1FB				
Purpose Type	Project Details (1)	Uncommitted	Status	
Purpose Number: 1 - Other contribution: Community Works Contribution - For improving and maintaining the off-site watercourse for 10 years.	1 Funds Awaiting Allocation	£20,753.51	The engineers team have been provided with details of this contributions and will consider for spend on suitable drainage improvements. They have advised that a site visit is required.	
Totals:		£20,753.51		

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13/P/00717		P: Ash	W: Ash South & Tongham	Section 106 Signed Agreement Date: 18/12/2013
The Croft, Foreman Road, Ash, Guildford, GU12 6HD				
Purpose Type	Project Details (1)	Uncommitted	Status	
Purpose Number: 1 - Other: Drainage Study Contribution - To be used for a study of the drainage within the surrounding area of the Land.	1 Ash Surface Water Management Plan Study	£103.93	22/02/23 - Engineers provided details of study conducted in Ash.	
Totals:		£103.93		

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Records: Expired Funds

Ash Vale

Obligations with Expired "Spend By" Dates

10/P/01474

P: Ash

W: Ash Vale

Section 106 Signed Agreement Date: 04/04/2011

Former Tyre and Exhaust Depot, Lysons Avenue, Ash Vale, Aldershot, GU12 5QF

Purpose Type	Project Details (2)	Uncommitted	Status
Purpose Number: 1 - Other: CCTV Contribution - installing one new CCTV camera to be located at or near the junction of Lysons Avenue and Frimley Road, linking the camera to the CCTV control room at Guildford Police Station and 12 months maintenance and fibre optic cable rental.	1 Funds Awaiting Allocation	£30,178.46	The engineers team have confirmed that the project to provide CCTV at Lysons Avenue/Frimley Road has already taken place and have provided relevant details to finance therefore £5,866.76 has now been spent. The remaining £30,178.46 will be discussed with the engineers.
Purpose Number: 2 - Environmental Policy & Design: Planting & Maintenance at Lysons Avenue - To provide soft landscaping and to maintain the planting for 5 years.	2 Funds Awaiting Allocation	£1,800.03	RT & PR reviewed 19/10/22, agreed to speak to Parks regarding ongoing maintenance on landscaping area.
Totals:		£31,978.49	

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Records: Expired Funds

Friary & St. Nicolas

Obligations with Expired "Spend By" Dates

04/P/00793 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 06/06/2005
 The Former Biddles & Surrey Advertiser Buildings, Martyr Road, Guildford, GU1

Purpose Type	Project Details (1)	Uncommitted	Status
Purpose Number: 1 - Environmental Policy & Design: Environmental Improvements in the Martyr Road and Hayden Place Action Area Page 245	1 Funds Awaiting Allocation	£12,486.04	21/10/22 - PR discussed the matter with the case officer for North Street, John Busher, and it was agreed to discuss the remaining funds with the Corporate Projects team to see if there is a relevant street/townscape project(s) on North Street that the funds could be used towards. 19/10/22 - RT & PR reviewed, removed as committed to Martyr Road/Hayden Place Action Area as that project has been completed. Currently showing as uncommitted whilst we investigate potential projects in North Street.
Totals:		£12,486.04	

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Records: Expired Funds

Friary & St. Nicolas

Obligations with Expired "Spend By" Dates

06/P/01980 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 19/12/2006
 61-68a, Woodbridge Road, Guildford, Surrey, GU1

Purpose Type	Project Details (1)	Uncommitted	Status
Purpose Number: 1 - Other: CCTV Woodbridge Road.	1 Funds Awaiting Allocation	£5,610.56	The engineers team have confirmed that the projects to provide CCTV at Woodbridge Road and near the cricket ground have already taken place and have provided the relevant information to finance and as such £22,431.76 has now been spent. The remaining £5,610.56 may be considered for any future town centre plans.
Totals:		£5,610.56	

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Records: Expired Funds

Holy Trinity

Obligations with Expired "Spend By" Dates

08/P/00065 P: Holy Trinity W: Holy Trinity Section 106 Signed Agreement Date: 16/04/2008
The Western Half Of The Civic Hall Carpark, London Road and Alexandra Terrace, Guildford, Surrey, GU1

Purpose Type	Project Details (1)	Uncommitted	Status
Purpose Number: 1 - Other: Improving signage to York Road MSCP.	1 Funds Awaiting Allocation	£15,897.20	04/04/23 - Potential project being investigated by leisure and parking (Kelvin Mills/Andy Harkin).
Totals:		£15,897.20	

09/P/00314 P: Holy Trinity W: Holy Trinity Section 106 Signed Agreement Date: 19/01/2010
The Quarry 1 & 3 Chantry View Road, Guildford, GU1 3XW

Purpose Type	Project Details (1)	Uncommitted	Status
Purpose Number: 1 - Environmental Policy & Design: Improve boundary between south of Meadows and the A281.	1 Funds Awaiting Allocation	£16,783.44	19/10/22 - RT & PR reviewed, RT to follow up with Parks team. 05/05/22 - Details provided to the Parks team to see if this contribution could be spent by Parks/Country side
Totals:		£16,783.44	

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Summary: Available Funds

Available Funds

This part of the report provides details of Section 106 funds that are held by GBC as of the date of the report. It also shows whether the funds have been committed to a project and summary details of that project.

The funds that are currently showing as uncommitted are colour coded according to their spend by period. The colour coding is as follows;

- Blue, this contribution does not have any spend by restrictions,
- Green, this contribution is well within its spend by period,
- Amber, this contribution has 180 days until the expiry of its spend by period,
- Red, the spend by period has already expired

Where the funds are showing as uncommitted and are red (i.e. the spend by period has expired) these funds are potentially at risk of being returned if the developer requests the return of any unspent Section 106 contributions.

It should be noted that not all Section 106 contributions have a spend by period.

Purpose:	Uncommitted:	Committed:
Car Club	£17,228.58	£0.00
Early Education (SCC)	£568,658.39	£8,157.28
Environmental Improvement Contribution	£93,601.57	£515,660.96
Healthcare	£212,667.23	£302,787.00
Highways Improvement Contribution	£671,776.43	£538,726.21
Historic Art	£0.00	£11,179.36
Other Contribution	£173,122.62	£710,491.83
Police	£73,931.54	£0.00
Primary education contribution (SCC)	£3,304,819.59	£0.00
Recreational Open Space Contribution	£249,927.34	£767,127.90
Secondary Education Contribution	£1,276,725.90	£352,084.59
Surrey CC Other Contribution	£122,943.23	£0.00
Travel Plan Contribution	£20,000.00	£11,654.36
Grand Totals Available:	£6,785,402.42	£3,217,869.52
Of which SCC/Other:	£6,268,750.89	£1,213,409.53
Of which GBC:	£516,651.53	£2,004,459.99

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Appendix

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Ash South & Tongham

Obligations with Funds Available

Uncommitted: £2,843,498.85
Committed: £1,166,006.96

04/P/02376		P: Tongham	W: Ash South & Tongham	Section 106 Signed Agreement Date: 26/07/2005	
1-24 Overton Court, Tongham					
Purpose Type	Project Details (1)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Transport: Implementation of alterations to waiting restrictions in the vicinity of the property.	1 Alterations to waiting restrictions Residing Responsibility: Surrey County Council	£0.00	£1,668.32	£331.68	
Totals:		£0.00	£1,668.32	£331.68	

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Ash South & Tongham

Obligations with Funds Available

Uncommitted: £2,843,498.85
Committed: £1,166,006.96

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12/P/00645 P: Ash W: Ash South & Tongham Section 106 Signed Agreement Date: 03/04/2013
1-60 Parsons Way, Tongham, FARNHAM, GU10 1FB

Purpose Type	Project Details (3)	Uncommitted	Committed	Spent
Purpose Number: 1 - Other contribution: Community Works Contribution - For improving and maintaining the off-site watercourse for 10 years.	1 Funds Awaiting Allocation Residing Responsibility: Engineers	£20,753.51	£0.00	£0.00
Purpose Number: 2 - Parks: Towards providing or improving recreation open space that might reasonably be enjoyed by persons resident in the dwellings to be constructed.	2 Tongham Railway Residing Responsibility: Parks	£0.00	£25,000.00	£0.00
	3 Moore Close & Rowans Field Residing Responsibility: Parks	£0.00	£61,844.78	£0.00
Totals:		£20,753.51	£86,844.78	£0.00

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Ash South & Tongham

Obligations with Funds Available

Uncommitted: £2,843,498.85
Committed: £1,166,006.96

12/P/01534 P: Ash W: Ash South & Tongham Section 106 Signed Agreement Date: 24/10/2013

Land to the south of Foreman Park and west of, Foreman Road, Ash, GU12

Purpose Type	Project Details (2)	Uncommitted	Committed	Spent
Purpose Number: 1 - Recreational open space contribution: Towards providing or improving recreation open space that might reasonably be enjoyed by persons resident in the dwellings to be constructed.	1 Drainage and surface improvements, Rowans Fields Residing Responsibility: Parks	£38,189.72 Expires: 29/04/2024	£0.00	£0.00
Purpose Number: 2 - Primary education contribution (SCC): Towards primary school provision within 3 miles of the Land.	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£88,835.80 Expires: 29/04/2024	£0.00	£0.00
Totals:		£127,025.52	£0.00	£0.00

Ash South & Tongham

Obligations with Funds Available

Uncommitted: £2,843,498.85
Committed: £1,166,006.96

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13/P/00717 P: Ash W: Ash South & Tongham Section 106 Signed Agreement Date: 18/12/2013
The Croft, Foreman Road, Ash, Guildford, GU12 6HD

Purpose Type	Project Details (3)	Uncommitted	Committed	Spent
Purpose Number: 1 - Other: Drainage Study Contribution - To be used for a study of the drainage within the surrounding area of the Land.	1 Ash Surface Water Management Plan Study Residing Responsibility: Engineers	£103.93	£0.00	£24,975.00
Purpose Number: 2 - Other: Drainage Works Contribution -To provide improved drainage of the land.	2 Drainage connection via new pipe to Thames Water surface sewer in Parish Close Residing Responsibility: Engineers	£0.00	£25,078.93	£0.00
Purpose Number: 3 - Parks: Towards providing or improving recreation open space that might reasonably be enjoyed be person resident in the dwellings to be constructed.	3 The Briars - Play Equipment Residing Responsibility: Parks	£0.00	£55,993.34	£0.00
Totals:		£103.93	£81,072.27	£24,975.00

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Ash South & Tongham

Obligations with Funds Available

Uncommitted: £2,843,498.85
Committed: £1,166,006.96

16/P/00120 P: Ash W: Ash South & Tongham Section 106 Signed Agreement Date: 27/01/2017
Warren Farm, White Lane, Ash, Guildford, GU12 6HW

Purpose Type	Project Details (3)	Uncommitted	Committed	Spent
Purpose Number: 1 - Early Education (SCC): Expand Sunflower nursery school at Harpers Scout Hut, Ash and the Jack and Jill Nursery Winchester Road	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£41,051.65 Expires: 26/11/2028	£0.00	£0.00
Purpose Number: 2 - Primary education contribution (SCC): Additional classrooms at Ash Grange Primary - facilitate expansion by 1 form of entry	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£255,307.99 Expires: 26/11/2028	£0.00	£0.00
Purpose Number: 3 - Recreational open space contribution: Local Play Facilities Improvement at Harper Recreation Ground, Ash	3 Improvements at Harper Recreation Ground (Ash PC) Residing Responsibility: Parish Council	£0.00	£54,726.93	£0.00
Totals:		£296,359.64	£54,726.93	

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Ash South & Tongham

Obligations with Funds Available

Uncommitted: £2,843,498.85
Committed: £1,166,006.96

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17/P/00529 P: Tongham W: Ash South & Tongham Section 106 Signed Agreement Date: 26/04/2019

Land adjacent to The Granary, Grange Road, Tongham, GU10 1DJ

Purpose Type	Project Details (5)	Uncommitted	Committed	Spent
Purpose Number: 1 - Recreational open space contribution: Tongham Railway Site Contribution – towards the cost of improvements to and maintenance of the Tongham Railway Site.	1 Tongham Railway Site Residing Responsibility: Parks	£0.00	£23,058.99	£0.00
Purpose Number: 2 - Highway improvement contribution: Bus Stops Contribution - to be used towards the provision of new bus shelters and real time passenger information at bus stops on Manor Road.	2 Improvements to bus stops on Manor Road Residing Responsibility: Surrey County Council	£0.00	£44,521.17	£0.00
Purpose Number: 3 - Early Education (SCC): Improvements to create additional early years places at Jack and Jill Nursery in Ash or at Ash Grange Primary School.	3 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£36,052.08	£0.00	£0.00
Purpose Number: 4 - Primary education contribution (SCC): Improvements to create additional pupil capacity at Ash Grange Primary School.	4 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£161,922.34	£0.00	£0.00
Purpose Number: 5 - Healthcare: To extend the capacity and /or building at the existing Ash Vale Surgery (NHSPS building) by creating at least three (3) additional clinical rooms (Consulting / Examination or Treatment).	5 Ash Vale Surgery (internal reconfiguration, new entrances/exits, an additional 3 clinic rooms, upgrading current facilities) Residing Responsibility: Clinical Commissioning Group	£0.00	£36,662.04	£0.00

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Ash South & Tongham

Obligations with Funds Available

Uncommitted: £2,843,498.85
Committed: £1,166,006.96

Totals:	£197,974.42	£104,242.20	£0.00
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17/P/02158		P: Ash	W: Ash South & Tongham	Section 106 Signed Agreement Date: 28/03/2019	
Land north of, Grange Road, Ash, GU12					
Purpose Type	Project Details (3)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Early Education (SCC): Project at Little Fishes for additional toilets and the creation of direct access to the outside area.	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£41,572.82	£0.00	£0.00	
Purpose Number: 2 - Primary education contribution (SCC): Project at Ash Grange Primary School for the provision of a new school hall, facilitating expansion by 1 form of entry.	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£138,497.82	£0.00	£0.00	
Purpose Number: 3 - Healthcare: Adapt Border Practice Surgery building, Aldershot, to increase their capacity by converting an existing non-clinical room into a clinical room (Consulting / Examination or Treatment)	3 The Board Practice Surgery - creation of additional clinical rooms Residing Responsibility: Clinical Commissioning Group	£0.00	£43,237.46	£0.00	
Totals:		£180,070.64	£43,237.46	£0.00	

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Ash South & Tongham

Obligations with Funds Available

Uncommitted: £2,843,498.85
Committed: £1,166,006.96

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17/P/02592 P: Ash W: Ash South & Tongham Section 106 Signed Agreement Date: 29/03/2019

Land south of, Ash Lodge Drive, Ash, Guildford

Purpose Type	Project Details (10)	Uncommitted	Committed	Spent
Purpose Number: 1 - Highway improvement contribution: to be used towards the costs of any or all of the following: -Bus stop infrastructure improvements on Shawfield Road/Manor Road to provide fully accessible bus stops, new bus shelters and real time passenger information delays; -Enhanced bus service provision; -Enhancements to the existing 'Kite' service; -Road safety and capacity improvement schemes on the roads surrounding the development	1 Bus Strategy & bus infrastructure improvements Residing Responsibility: Surrey County Council	£0.00	£0.00	£354,119.96
	2 Towards passenger transport feasibility study to determine improvements within vicinity of the site Residing Responsibility: Surrey County Council	£0.00	£0.00	£194,273.94
	3 Bus Improvements, RSA Safety and Capacity at junctions, Ash Street, Ash Manor Residing Responsibility: Surrey County Council	£0.00	£398,938.97	£0.00
Purpose Number: 2 - Early Education (SCC): To provide new early years places for additional children generated by this development in the Ash and Tongham area.	4 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£55,874.67	£0.00	£0.00
		Expires: 09/09/2027		
Purpose Number: 3 - Primary education contribution (SCC): To expand Ash Grange Primary School to help facilitate increased pupil numbers within the school	5 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£1,446,087.52	£0.00	£0.00
		Expires: 24/05/2026		

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Ash South & Tongham

Obligations with Funds Available

Uncommitted: £2,843,498.85
Committed: £1,166,006.96

17/P/02592 P: Ash W: Ash South & Tongham Section 106 Signed Agreement Date: 29/03/2019

Land south of, Ash Lodge Drive, Ash, Guildford

Purpose Type	Project Details (10)	Uncommitted	Committed	Spent
Purpose Number: 4 - Travel Plan (SCC): School Travel Plan to be used towards encouraging more sustainable/non-car modes of transport when travelling to and from up to four schools in the locality of the Development.	6 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£20,000.00 Expires: 24/05/2029	£0.00	£0.00
Purpose Number: 5 - Police: Towards the provision of equipment for Surrey Police in order to meet the policing needs of the Development	7 ANPR Camera, Manor Road Residing Responsibility: Police	£0.00	£0.00	£6,910.52
	8 Funds Awaiting Allocation Residing Responsibility: Police	£2,089.48 Expires: 24/05/2026	£0.00	£0.00
Purpose Number: 6 - Surrey CC Other: Libraries Contribution - towards the provision of ICT equipment at Ash Library.	9 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£87,766.73 Expires: 01/02/2025	£0.00	£0.00
	10 New and interactive IT equipment at Ash Library Residing Responsibility: Surrey County Council	£0.00	£0.00	£23,988.81
Totals:		£1,611,818.40	£398,938.97	£579,242.81

Appendix 1
Item number: 9

Ash South & Tongham

Obligations with Funds Available

Uncommitted: £2,843,498.85
Committed: £1,166,006.96

Agenda item number 9 Appendix 1

18/P/00475 P: Ash W: Ash South & Tongham Section 106 Signed Agreement Date: 23/07/2019
Courier House, Aldershot Road, Ash, Guildford, GU12 6PD

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Primary education contribution (SCC): Towards a project at Ash Grange Primary School to provide additional classrooms to facilitate expansion by one form entry	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£46,812.00 Expires: 15/08/2029	£0.00	£0.00
Totals:		£46,812.00	£0.00	£0.00

Ash South & Tongham

Obligations with Funds Available

Uncommitted: £2,843,498.85
Committed: £1,166,006.96

18/P/01950 P: Ash W: Ash South & Tongham Section 106 Signed Agreement Date: 13/02/2020

Land to East of White Lane and West of Chestnut Lodge, Drovers Way, Ash Green, Guildford, GU12 6HY

Purpose Type	Project Details (4)	Uncommitted	Committed	Spent
Purpose Number: 1 - Early Education (SCC): project to expand the current buildings of the nursery provision at Nurturing Childcare, The Cardinals, Tongham	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£39,886.79 Expires: 29/10/2030	£0.00	£0.00
Purpose Number: 2 - Primary education contribution (SCC): towards the cost of installing new toilets and kitchen facilities at Ash Grange Primary School to facilitate the expansion of the school by 1 form of entry	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£188,221.26 Expires: 29/10/2030	£0.00	£0.00
Purpose Number: 3 - Secondary education contribution (SCC): project to provide a new music classroom at Ash Manor School which will be used to accommodate additional children as part of a wider expansion by 1 form of entry	3 Ash Manor School, new build incorporating PAC, specialist music and drama spaces, 2 science labs, increase WCs and changing rooms. Residing Responsibility: Surrey County Council	£0.00	£218,365.81	£0.00
Purpose Number: 4 - Healthcare: towards the carrying out of conversion and adaptation works to increase clinical capacity at the Border Practice Medical Centre, Aldershot (Frimley CCG)	4 The Border Practice Surgery - creation of additional clinical rooms Residing Responsibility: Clinical Commissioning Group	£0.00	£43,191.44	£0.00
Totals:		£228,108.05	£261,557.25	£0.00

Agenda item number: 9
Appendix 1

Ash South & Tongham

Obligations with Funds Available

Uncommitted: £2,843,498.85
Committed: £1,166,006.96

Agenda item number 9 Appendix 1

20/P/01102 P: Tongham W: Ash South & Tongham Section 106 Signed Agreement Date: 16/03/2021

Land at, Poyle Road, Tongham

Purpose Type	Project Details (4)	Uncommitted	Committed	Spent
Purpose Number: 1 - Highway improvement contribution: towards a road safety improvement scheme to mitigate the effects of the Development on the surrounding highway network	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£1,849.80 Expires: 15/07/2031	£0.00	£0.00
Purpose Number: 2 - Early Education (SCC): A project at Tongham Day Care to extend nursery provision at a new site in Ash including refurbishing existing toilets and replacing flooring to accommodate an additional 16 places for 3 and 4 year olds	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£23,890.24 Expires: 15/07/2031	£0.00	£0.00
Purpose Number: 3 - Primary education contribution (SCC): a project at Ash Grange Primary School for the provision of additional toilets and 2 group rooms as part of a permanent expansion to provide additional places	3 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£108,732.70 Expires: 15/07/2031	£0.00	£0.00
Purpose Number: 4 - Secondary education contribution (SCC): a project at Ash Manor School to provide a new general teaching classroom which will help facilitate the permanent expansion of the school facilities to provide additional places.	4 Ash Manor School, new build incorporating PAC, specialist music and drama spaces, 2 science labs, increase WCs and changing rooms. Residing Responsibility: Surrey County Council	£0.00	£133,718.78	£0.00
Totals:		£134,472.74	£133,718.78	£0.00

Ash Vale

Obligations with Funds Available

Uncommitted: £31,978.49
Committed: £0.00

10/P/01474 P: Ash W: Ash Vale Section 106 Signed Agreement Date: 04/04/2011
Former Tyre and Exhaust Depot, Lysons Avenue, Ash Vale, Aldershot, GU12 5QF

Purpose Type	Project Details (4)	Uncommitted	Committed	Spent
Purpose Number: 1 - Other: CCTV Contribution - installing one new CCTV camera to be located at or near the junction of Lysons Avenue and Frimley Road, linking the camera to the CCTV control room at Guildford Police Station and 12 months maintenance and fibre optic cable rental.	1 Lysons Avenue CCTV Residing Responsibility: Engineers	£0.00	£0.00	£5,866.76
	2 Funds Awaiting Allocation Residing Responsibility: Engineers	£30,178.46 Expires: 13/04/2017	£0.00	£0.00
Purpose Number: 2 - Environmental Policy & Design: Planting & Maintenance at Lysons Avenue - To provide soft landscaping and to maintain the planting for 5 years.	3 Planting & Maintenance at Lysons Avenue Residing Responsibility: Environmental	£0.00	£0.00	£7,988.02
	4 Funds Awaiting Allocation Residing Responsibility:	£1,800.03 Expires: 13/04/2017	£0.00	
Totals:		£31,978.49	£0.00	£13,854.78

Ash Wharf

Obligations with Funds Available

Uncommitted: £774,639.00
Committed: £155,911.23

Ash Wharf

Obligations with Funds Available

Uncommitted:
£774,639.00

Committed:
£155,911.23

Agenda item number 9
Appendix 1

16/P/01679 P: Ash W: Ash Wharf Section 106 Signed Agreement Date: 01/05/2019

Land south of Guildford Road, and to the south and east of Dene Close, Ash, GU12 6BS

Purpose Type	Project Details (7)	Uncommitted	Committed	Spent
Purpose Number: 1 - Other contribution: Drainage Contribution -To be used towards surface water drainage infrastructure improvements in accordance with the Ash Surface Water Study.	1 Funds Awaiting Allocation Residing Responsibility: Engineers	£33,215.77 Expires: 19/04/2032	£0.00	£0.00
Purpose Number: 2 - Early Education (SCC): means a project to provide the expansion of Sunflower Nursery School at Harpers Scout Hut, Ash, and the expansion of Jack and Jill Nursery, Winchester Road, Ash	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£83,039.42 Expires: 19/04/2037	£0.00	£0.00
Purpose Number: 3 - Highway improvement contribution: To be used towards the costs of replacing the two bus stop shelters and real time passenger information systems on Guildford Road between Dean Close and the existing roundabout to the west of Dean Close	3 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£44,287.69 Expires: 19/04/2032	£0.00	£0.00
Purpose Number: 4 - Healthcare: to be used towards the cost of delivering an additional primary healthcare facility within the vicinity of the Land	4 Funds Awaiting Allocation Residing Responsibility: Clinical Commissioning Group	£55,359.61 Expires: 19/04/2032	£0.00	£0.00
Purpose Number: 5 - Primary education contribution (SCC): means a project to provide modifications to the existing infrastructure at Ash Grange Primary School to facilitate expansion by 1 form of entry	5 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£450,231.67 Expires: 19/04/2037	£0.00	£0.00

Ash Wharf

Obligations with Funds Available

Uncommitted:
£774,639.00

Committed:
£155,911.23

16/P/01679		P: Ash	W: Ash Wharf	Section 106 Signed Agreement Date: 01/05/2019	
Land south of Guildford Road, and to the south and east of Dene Close, Ash, GU12 6BS					
Purpose Type	Project Details (7)	Uncommitted	Committed	Spent	
Purpose Number: 6 - Recreational open space contribution: to be used towards the provision of new changing rooms at Harpers Road Recreation Ground	6 Funds Awaiting Allocation Residing Responsibility: Parish Council	£108,504.84 Expires: 19/04/2032	£0.00	£0.00	
Purpose Number: 7 - Travel Plan (SCC)	7 Travel Plan Residing Responsibility: Surrey County Council	£0.00	£6,809.23	£0.00	
Totals:		£774,639.00	£6,809.23	£0.00	

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16/P/01679/S106/3		P: Ash	W: Ash Wharf	Section 106 Signed Agreement Date: 29/03/2022	
Land south of, Guildford Road, and to the South & East of Dene Close, Ash, GU12 6BS					
Purpose Type	Project Details (1)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Other contribution: Residual Copperwood Road Works Costs.	1 Copperwood Road Works and Roundabout Works (Part of Ash Road Bridge Scheme) Residing Responsibility: Major Projects	£0.00	£149,102.00	£0.00	
Totals:		£0.00	£149,102.00	£0.00	

Agenda item number: 9
Appendix A

Christchurch

Obligations with Funds Available

Uncommitted: £48,013.23
Committed: £370,327.27

Agenda item number 9
Appendix 1

14/P/01113 P: Christchurch W: Christchurch Section 106 Signed Agreement Date: 29/08/2014
65 Cranley Road, Guildford, GU1 2JW

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Towards providing or improving recreation open space that might reasonably be enjoyed by persons resident in the dwellings to be constructed.	1 Stoke Park Playground & Trim Trail Residing Responsibility: Parks	£0.00	£3,655.56	£16,485.42
Totals:		£0.00	£3,655.56	£16,485.42

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14/P/01544 P: Christchurch W: Christchurch Section 106 Signed Agreement Date: 22/12/2014
80 Epsom Road, Guildford, GU1 2BX

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Towards the provisions or improvement of recreational open space serving the recreational open space needs of the development.	1 Stoke Park or Thorny Croft Wood Residing Responsibility: Parks	£0.00	£25,410.68	£0.00
Totals:		£0.00	£25,410.68	£0.00

Christchurch

Obligations with Funds Available

Uncommitted:
£48,013.23

Committed:
£370,327.27

14/P/02254 P: Christchurch W: Christchurch Section 106 Signed Agreement Date: 09/11/2015
The Clockhouse, 140 London Road and 72 Boxgrove Road, Guildford, GU1 1UW

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Car Club: Car club contribution - to be applied towards the cost of installing one new on-street car club parking space within the vicinity of the Development.	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£17,228.58	£0.00	£0.00
Totals:		£17,228.58	£0.00	£0.00

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17/P/00509 P: Christchurch W: Christchurch Section 106 Signed Agreement Date: 17/10/2018
Land at Guildford College Campus, Stoke Road, Guildford, GU1 1EZ

Purpose Type	Project Details (2)	Uncommitted	Committed	Spent
Purpose Number: 1 - Other contribution: Car Park Contribution - towards implementation of parking control measures at the Councils car parks on Lido Road and Stoke Park	1 Line works, resurfacing and parking control at the Councils car parks on Lido Road and Stoke Park Residing Responsibility: Parks	£0.00	£71,138.01	£5,180.09
Purpose Number: 2 - Environmental improvement contribution: Stoke Park Environmental Improvements.	2 Skate Park, Stoke Park Residing Responsibility: Parks	£0.00	£270,123.02	£0.00
Totals:		£0.00	£341,261.03	£5,180.09

Agenda item number: 99
Appendix 1

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Christchurch

Obligations with Funds Available

Uncommitted: £48,013.23
Committed: £370,327.27

Agenda item number 9
Appendix 1

18/P/00376 P: Christchurch W: Christchurch Section 106 Signed Agreement Date: 06/06/2018

Welland House, Albury Road, Guildford, GU1 2BY

Purpose Type	Project Details (3)	Uncommitted	Committed	Spent
Purpose Number: 1 - Early Education (SCC): Christchurch preschool playgroup to increase the number of toilets and access to the setting	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£6,915.12	£0.00	£0.00
Purpose Number: 2 - Primary education contribution (SCC): Burslem Foundation Primary School to provide internal adaptations; allowing the school to increase its pupil numbers	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£11,564.92	£0.00	£0.00
Purpose Number: 3 - Secondary education contribution (SCC): St Peter's Catholic Secondary School.	3 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£12,304.61	£0.00	£0.00
Totals:		£30,784.65	£0.00	£0.00

Clandon & Horsley

Obligations with Funds Available

Uncommitted: £525,367.88
Committed: £83,597.75

Clandon & Horsley

Obligations with Funds Available

Uncommitted:
£525,367.88

Committed:
£83,597.75

10/P/00160 P: East Horsley W: Clandon & Horsley Section 106 Signed Agreement Date: 26/04/2010
Frenchlands Hatch, Ockham Road South, East Horsley

Purpose Type	Project Details (2)	Uncommitted	Committed	Spent
Purpose Number: 1 - Environmental Policy & Design: Project to restore the pavement width on a 445 metre section of Ockham Road South Page 267	1 Restore pavement, Ockham Road South Residing Responsibility: Environmental	£0.00	£0.00	£2,291.01
	2 Funds Awaiting Allocation Residing Responsibility: Environmental	£966.20	£0.00	£0.00
Totals:		£966.20	£0.00	£2,291.01

Clandon & Horsley

Obligations with Funds Available

Uncommitted:
£525,367.88

Committed:
£83,597.75

Agenda item number 9
Appendix 1

17/P/00523 P: West Clandon W: Clandon & Horsley Section 106 Signed Agreement Date: 04/09/2017
Land at Tithebarns Farm, Tithebarns Lane, Send, GU23 7LE

Purpose Type	Project Details (5)	Uncommitted	Committed	Spent
Purpose Number: 1 - Early Education (SCC): Provision of additional Early Years places at Send C of E School	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£8,845.98 Expires: 14/05/2028	£0.00	£0.00
Purpose Number: 2 - Primary education contribution (SCC): Erection of an additional building to accommodate additional classes at Clandon C of E Primary School	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£32,477.91 Expires: 14/05/2028	£0.00	£0.00
	3 Erection of modular building to accommodate additional classes, Clandon Infant School Residing Responsibility: Surrey County Council	£0.00	£0.00	£32,473.81
Purpose Number: 3 - Secondary education contribution (SCC): Refurbishment of an existing classroom creating a new IT suite at St Peters Catholic Secondary School	4 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£36,493.73 Expires: 14/05/2028	£0.00	£0.00
	5 New IT Suite, St Peters Catholic School Residing Responsibility: Surrey County Council	£0.00	£0.00	£36,489.13
	Totals:	£77,817.62	£0.00	£68,962.94

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Clandon & Horsley

Obligations with Funds Available

Uncommitted:
£525,367.88

Committed:
£83,597.75

19/P/01210		P: West Horsley	W: Clandon & Horsley	Section 106 Signed Agreement Date: 15/11/2019	
20 The Street, West Horsley, Leatherhead, KT24 6AX					
Purpose Type	Project Details (2)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Early Education (SCC): To create an early years setting in the local area.	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£14,924.03	£0.00	£0.00	
Purpose Number: 2 - Secondary education contribution (SCC): Additional facilities at St Andrews Catholics School (Mole Valley).	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£95,485.78	£0.00	£0.00	
Totals:		£110,409.81	£0.00	£0.00	

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Clandon & Horsley

Obligations with Funds Available

Uncommitted:
£525,367.88

Committed:
£83,597.75

Agenda item number
Appendix 1
9

20/P/00409 P: West Horsley W: Clandon & Horsley Section 106 Signed Agreement Date: 30/06/2020
20 The Street, West Horsley, Leatherhead, KT24 6AX

Purpose Type	Project Details (2)	Uncommitted	Committed	Spent
Purpose Number: 1 - Early Education (SCC)	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£5,433.66	£0.00	£0.00
Purpose Number: 2 - Secondary education contribution (SCC)	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£26,512.33	£0.00	£0.00
Totals:		£31,945.99	£0.00	£0.00

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Clandon & Horsley

Obligations with Funds Available

Uncommitted:
£525,367.88

Committed:
£83,597.75

20/P/02067		P: West Horsley	W: Clandon & Horsley	Section 106 Signed Agreement Date: 15/02/2022	
Manor Farm, East Lane, West Horsley, Leatherhead, KT24 6HQ					
Purpose Type	Project Details (6)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Highway improvement contribution: Highway Works A : To amend the existing TRO and extend the 30mph speed limit northwards on Ockham Road North to the junction with Green Lane	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£20,899.44 Expires: 06/09/2032	£0.00	£0.00	
Purpose Number: 2 - Highway improvement contribution: Highway Works B : To install traffic calming measures for approximately 750m on Ockham Road North.	2 Traffic Calming Measures Ockham Road North Residing Responsibility: Surrey County Council	£0.00	£83,597.75	£0.00	
Purpose Number: 3 - Highway improvement contribution: Highway Works C : To improve pedestrian facilities on the east side of Station Parade in the vicinity of the existing zebra crossing	3 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£62,698.31 Expires: 06/09/2032	£0.00	£0.00	
Purpose Number: 4 - Highway improvement contribution: Highway Works D : To install 2 raised road tables in Ockham Road South on either side of the junction with Forest Road	4 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£41,798.88 Expires: 06/09/2032	£0.00	£0.00	
Purpose Number: 5 - Highway improvement contribution: Highway Works E: To install a raised table for the existing zebra crossing on Ockham Road North south of Horsley Railway Station	5 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£20,344.59 Expires: 06/09/2032	£0.00	£0.00	

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Appendix 1

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Clandon & Horsley

Obligations with Funds Available

Uncommitted: £525,367.88
Committed: £83,597.75

Agenda item number 9
Appendix 1

20/P/02067 P: West Horsley W: Clandon & Horsley Section 106 Signed Agreement Date: 15/02/2022
Manor Farm, East Lane, West Horsley, Leatherhead, KT24 6HQ

Purpose Type	Project Details (6)	Uncommitted	Committed	Spent
Purpose Number: 6 - Highway improvement contribution: Highway Work F: To provide signs, road markings and Vehicle Activated Speed Signs on Ockham Road North from the junction with School Lane up to the junction with A3 (Ripley By-Pass)	6 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£15,258.45 Expires: 06/09/2032	£0.00	£0.00
Totals:		£160,999.67	£83,597.75	£0.00

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Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Clandon & Horsley

Obligations with Funds Available

Uncommitted: £525,367.88
Committed: £83,597.75

21/P/00917		P: West Horsley	W: Clandon & Horsley	Section 106 Signed Agreement Date: 05/05/2022	
Land at Oakland Farm, Green Lane, Ockham, GU23 6PD					
Purpose Type	Project Details (2)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Early Education (SCC): Towards early years education infrastructure in the area local to the development by way of provision of additional early years places.	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£25,038.48	£0.00	£0.00	
Purpose Number: 2 - Primary education contribution (SCC): Primary education infrastructure in the area local to the development by way of the provision of additional places, at one or more primary schools within a 4 mile radius of the development site.	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£118,190.11	£0.00	£0.00	
Totals:		£143,228.59	£0.00	£0.00	

Friary & St. Nicolas

Obligations with Funds Available

Uncommitted: £466,137.31
Committed: £549,916.78

Agenda item number: 9
Appendix 1

Friary & St. Nicolas

Obligations with Funds Available

Uncommitted: £466,137.31
Committed: £549,916.78

Agenda item number 9
Appendix 1

04/P/00793		P: Friary & St. Nicolas	W: Friary & St. Nicolas	Section 106 Signed Agreement Date: 06/06/2005	
The Former Biddles & Surrey Advertiser Buildings, Martyr Road, Guildford, GU1					
Purpose Type	Project Details (2)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Environmental Policy & Design: Environmental Improvements in the Martyr Road and Hayden Place Action Area	1 Martyr Road/Haydon Place Action Area Residing Responsibility: Environmental	£0.00	£0.00	£64,013.96	
	2 Funds Awaiting Allocation Residing Responsibility:	£12,486.04 Expires: 15/10/2012	£0.00	£0.00	
Totals:		£12,486.04	£0.00	£64,013.96	

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06/P/01980		P: Friary & St. Nicolas	W: Friary & St. Nicolas	Section 106 Signed Agreement Date: 19/12/2006	
61-68a, Woodbridge Road, Guildford, Surrey, GU1					
Purpose Type	Project Details (2)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Other: CCTV Woodbridge Road.	1 CCTV, Woodbridge Road Residing Responsibility: Engineers	£0.00	£0.00	£22,431.76	
	2 Funds Awaiting Allocation Residing Responsibility: Engineers	£5,610.56 Expires: 04/08/2015	£0.00	£0.00	
Totals:		£5,610.56	£0.00	£22,431.76	

Friary & St. Nicolas

Obligations with Funds Available

Uncommitted:
£466,137.31

Committed:
£549,916.78

07/P/00797 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 06/08/2007
Land forming part of Woodbridge Business Park, Woodbridge Road, Guildford, Surrey, GU1 1EH

Purpose Type	Project Details (7)	Uncommitted	Committed	Spent
Purpose Number: 1 - Environmental Policy & Design: Improvements to roadscape quality on principal approaches into the town centre. Page 275	1 Woodbridge Hill Environmental Improvements Residing Responsibility: Environmental	£0.00	£0.00	£30,082.83
	2 Improve Routes Residing Responsibility: Environmental	£0.00	£0.00	£22,649.22
	3 Greening Kingpost Parade Residing Responsibility: Environmental	£0.00	£0.00	£120.09
	4 Roundabouts Residing Responsibility: Environmental	£0.00	£0.00	£4,630.49
	5 Ladymead scheme (Europa Retail Park scheme) Residing Responsibility: Surrey County Council	£0.00	£7,292.26	£0.00
Purpose Number: 2 - Environmental Policy & Design: A25 Ladymead/Woodbridge Road pedestrian route improvements.	6 Woodbridge Hill Project Residing Responsibility: Environmental	£0.00	£0.00	£67,708.22
	7 Ladymead scheme (Europa Retail Park scheme) Residing Responsibility: Surrey County Council	£0.00	£337.03	£0.00
Totals:		£0.00	£7,629.29	£125,220.89

Agenda item number: 9
Appendix 1

Friary & St. Nicolas

Obligations with Funds Available

Uncommitted: £466,137.31
Committed: £549,916.78

Agenda item number 9
Appendix 1

08/P/01509 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 01/10/2008
134 Walnut Tree Close, Guildford, GU1 4UB

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Art: To provide art allowing a sum of £4000.	1 Walnut Tree Bridge Project - arts element Residing Responsibility: Major Projects	£0.00	£4,000.00	£0.00
Totals:		£0.00	£4,000.00	£0.00

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12/P/01020 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 17/02/2014
Bellerby Theatre Site (land bounded by York Rd, Leapale Lane, College Rd & Haydon Place), Guildford, GU1 4QG

Purpose Type	Project Details (2)	Uncommitted	Committed	Spent
Purpose Number: 1 - Other: CCTV Contribution - to cover the cost of the provision of CCTV and its maintenance.	1 CCTV, Haydon Place Residing Responsibility: Engineers	£0.00	£0.00	£12,472.80
	2 Town CCTV Project Residing Responsibility: Engineers	£0.00	£22,527.20	£0.00
Totals:		£0.00	£22,527.20	£12,472.80

Friary & St. Nicolas

Obligations with Funds Available

Uncommitted: £466,137.31
Committed: £549,916.78

14/P/00253 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 24/06/2014
Unigate Dairy, Walnut Tree Close, Guildford, GU1 4TP

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Landscaping and Public Realm - Recreation biodiversity and open space at Millmead Island Natural Fish Pass or West Nye Gardens.	1 Biodiversity and open space at Millmead island natural fish pass Residing Responsibility: Parks	£0.00	£25,060.64	£0.00
Totals:		£0.00	£25,060.64	£0.00

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14/P/01246 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 30/10/2014
67 Farnham Road, Guildford, GU2 4LS

Purpose Type	Project Details (2)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Improving, enhancing, maintaining and/or running Stoke Fields and Stoke Park or such other rec open space as the Council may determine	1 Shalford Park Trim Trail Residing Responsibility: Parks	£0.00	£14,006.79	
	2 Westnye Garden Play Sculptures Residing Responsibility: Parks	£0.00	£0.00	£1,500.00
Totals:		£0.00	£14,006.79	£1,500.00

Agenda item number: 9
Appendix 1

Friary & St. Nicolas

Obligations with Funds Available

Uncommitted: £466,137.31
Committed: £549,916.78

Agenda item number 9
Appendix 1

17/P/00724 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 27/07/2018
Land at 14a to 18 Ladymead, Guildford, GU1 1DL

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Early Education (SCC): Hazeltots Preschool - to develop the toilet and outside area	1 Hazeltots Preschool, alterations to toilet facilities Residing Responsibility: Surrey County Council	£0.00	£8,157.28	£0.00
Totals:		£0.00	£8,157.28	£0.00

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18/P/01155 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 29/11/2018
Kernel Court, Walnut Tree Close, Guildford, GU1 4UD

Purpose Type	Project Details (2)	Uncommitted	Committed	Spent
Purpose Number: 1 - Surrey CC Other: Car Club Contribution - Towards costs of TRO to allow provision of on street space for car club parking space.	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£16,670.53	£0.00	£0.00
Purpose Number: 2 - Surrey CC Other: Public Right of Way - towards the costs of resurfacing and widening works at footpath 6 betweenm Scholars Walk and Walnut Tree Close.	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£18,505.97	£0.00	£0.00
Totals:		£35,176.50	£0.00	£0.00

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Friary & St. Nicolas

Obligations with Funds Available

Uncommitted: £466,137.31
Committed: £549,916.78

18/P/02100 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 30/04/2019
Just Tyres, Walnut Tree Close, Guildford, GU1 4TX

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Environmental improvement contribution: Improvements and upgrade works to the navigations / River Wey towpath between the A25 (Ladymead) and St Catherines.	1 Improvements and upgrade works to the navigations / River Wey towpath between the A25 (Ladymead) and St. Catherines (To be spent by National Trust) Residing Responsibility: National Trust	£0.00	£153,000.00	£0.00
Totals:		£0.00	£153,000.00	£0.00

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Agenda item number: 9
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Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Friary & St. Nicolas

Obligations with Funds Available

Uncommitted: £466,137.31
Committed: £549,916.78

Agenda item number 9
Appendix 1

18/P/02226 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 24/09/2019

Bishops Nissan of Guildford, Walnut Tree Close, Guildford, GU1 1TX

Purpose Type	Project Details (2)	Uncommitted	Committed	Spent
Purpose Number: 1 - Other contribution: River Wey Towpath Contribution - Towards the costs of works for improvements and upgrade to the navigations and River Wey towpath between the A25 Ladymead and St Catherines to deal with increase of use resulting from the Development and for use by the National Trust	1 Improvements and upgrade works to the navigations / River Wey towpath between the A25 (Ladymead) and St. Catherines (To be spent by National Trust) Residing Responsibility: National Trust	£0.00	£135,000.00	£0.00
	2 Bank Protection and Towpath Works, tow path between Walnut Tree Railway Bridge and Bishops Wharf Residing Responsibility: National Trust	£0.00	£165,000.00	£0.00
Totals:		£0.00	£300,000.00	£0.00

Friary & St. Nicolas

Obligations with Funds Available

Uncommitted: £466,137.31
Committed: £549,916.78

Agenda item number 9
Appendix 1

21/P/01811		P: Friary & St. Nicolas	W: Friary & St. Nicolas	Section 106 Signed Agreement Date: 31/05/2022	
Guildford Plaza (former Burymead House), Portsmouth Road, Guildford, GU2 4DH					
Purpose Type	Project Details (8)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Highway improvement contribution: Towards an amendment of the Traffic Regulation Order for the proposed exclusion to the Development being eligible for parking permits.	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£3,169.98	£0.00	£0.00	Expires: 29/12/2032
Purpose Number: 2 - Police: Towards equipment, recruitment and training costs for additional police officers and support staff required as a result of the Development together with the cost of accommodating a minimum of one additional dedicated officer and one additional support staff member towards maintaining police vehicles required to serve the Development.	2 Funds Awaiting Allocation Residing Responsibility: Police	£29,262.90	£0.00	£0.00	Expires: 10/02/2033
Purpose Number: 3 - Healthcare: Towards the provision of additional clinical and support accommodation and primary care support at local GP practices within the vicinity of the Land.	3 Funds Awaiting Allocation Residing Responsibility: Clinical Commissioning Group	£157,307.62	£0.00	£0.00	Expires: 10/02/2033
Purpose Number: 4 - Highway improvement contribution: Pedestrian and Cycle Infrastructure towards pedestrian and cycle infrastructure improvements within the vicinity of the Land and to be used towards the implementation of phases 1 and 2 of the Councils Sustainable Movement Corridor project.	4 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£132,861.17	£0.00	£0.00	Expires: 10/02/2033
Purpose Number: 5 - Highway improvement contribution: Towards the upgrade of the existing pelican crossing on Portsmouth Road.	5 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£7,396.62	£0.00	£0.00	Expires: 29/12/2032

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Friary & St. Nicolas

Obligations with Funds Available

Uncommitted: £466,137.31
Committed: £549,916.78

21/P/01811		P: Friary & St. Nicolas	W: Friary & St. Nicolas	Section 106 Signed Agreement Date: 31/05/2022	
Guildford Plaza (former Burymead House), Portsmouth Road, Guildford, GU2 4DH					
Purpose Type	Project Details (8)	Uncommitted	Committed	Spent	
Purpose Number: 6 - Highway improvement contribution: Towards providing a bus shelter and RTPI display at the Southbound bus stop on Portsmouth Road.	6 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£21,133.19 Expires: 29/12/2032	£0.00	£0.00	
Purpose Number: 7 - Highway improvement contribution: Towards providing a bus shelter and RTPI display at the Northbound bus stop on Portsmouth Road.	7 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£21,133.19 Expires: 29/12/2032	£0.00	£0.00	
Purpose Number: 8 - Highway improvement contribution: Towards wayfinding signage.	8 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£5,283.30 Expires: 29/12/2032	£0.00	£0.00	
Totals:		£377,547.97	£0.00	£0.00	

Holy Trinity

Obligations with Funds Available

Uncommitted: £128,862.91
Committed: £176,802.89

Agenda item number: 9
Appendix 1

Holy Trinity

Obligations with Funds Available

Uncommitted: £128,862.91
Committed: £176,802.89

Agenda item number 9
Appendix 1

04/P/01460		P: Holy Trinity	W: Holy Trinity	Section 106 Signed Agreement Date: 29/09/2004	
17 Upper Edgeborough Road, Guildford, GU1 2BJ					
Purpose Type	Project Details (2)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Parks: Towards off site recreational facilities within the vicinity of the site.	1 Foxenden Quarry Playground Improvements Residing Responsibility: Parks	£0.00	£15,607.00	£0.00	
	2 P18120 1233;1444;1593 Residing Responsibility: Parks	£0.00	£0.00	£1,350.00	
Totals:		£0.00	£15,607.00	£1,350.00	

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05/P/01152		P: Holy Trinity	W: Holy Trinity	Section 106 Signed Agreement Date: 07/11/2005	
32-40, York Road, Guildford, GU1 4DF					
Purpose Type	Project Details (1)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Art: Towards the design, construction and installation or art work or works.	1 Foxenden Quarry Playground Improvements (joint with parks play group improvements) Residing Responsibility: Parks	£0.00	£6,000.00	£0.00	
Totals:		£0.00	£6,000.00	£0.00	

Holy Trinity

Obligations with Funds Available

Uncommitted: £128,862.91
Committed: £176,802.89

07/P/00850 P: Holy Trinity W: Holy Trinity Section 106 Signed Agreement Date: 24/07/2007
Civic Hall, London Road, Guildford, Surrey, GU1

Purpose Type	Project Details (6)	Uncommitted	Committed	Spent
Purpose Number: 1 - Environmental Policy & Design: Improving light and signage between the Land and York Rd MSCP	1 Civic Light and Signage, York Road Residing Responsibility: Environmental	£0.00	£0.00	£22,798.90
	2 Funds Awaiting Allocation Residing Responsibility: Car Parks	£9,807.10	£0.00	£0.00
Purpose Number: 2 - Other: Towards CCTV Coverage.	3 Funds Awaiting Allocation Residing Responsibility: Engineers	£38,040.00	£0.00	£0.00
Purpose Number: 3 - Other: Drop off Point Contribution - Towards the provision of a "drop off point" alongside the London Road Bus Stop.	4 Glive Drop off Point Residing Responsibility: Environmental	£0.00	£0.00	£3,761.00
	5 Funds Awaiting Allocation Residing Responsibility:	£7,108.00	£0.00	£0.00
Purpose Number: 4 - Art: Towards the design, construction and installation of the work or works of art.	6 Civic Hall/G Live Art, Art lighting on west elevation Residing Responsibility: Art officer	£0.00	£1,179.36	£32,294.00
Totals:		£54,955.10	£1,179.36	£58,859.90

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Agenda item number: 9
Appendix 1

Holy Trinity

Obligations with Funds Available

Uncommitted: £128,862.91
Committed: £176,802.89

Agenda item number 9
Appendix 1

07/P/01676		P: Holy Trinity	W: Holy Trinity	Section 106 Signed Agreement Date: 13/12/2007	
44 Falcon Road, Guildford, GU1 4JD					
Purpose Type	Project Details (1)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Parks: Towards offsite open space provision.	1 Foxenden Quarry Playground Improvements Residing Responsibility: Parks	£0.00	£4,823.08	£0.00	
Totals:		£0.00	£4,823.08	£0.00	

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08/P/00064		P: Holy Trinity	W: Holy Trinity	Section 106 Signed Agreement Date: 16/04/2008	
Alexandra House, Alexandra Terrace, Guildford, GU1 3DA					
Purpose Type	Project Details (1)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Other: CCTV Contribution - towards CCTV and associated equipment and links to the police network.	1 CCTV, on pedestrian access between G Live and the car park Residing Responsibility: Engineers	£0.00	£2,649.53	£0.00	
Totals:		£0.00	£2,649.53	£0.00	

Holy Trinity

Obligations with Funds Available

Uncommitted: £128,862.91
Committed: £176,802.89

08/P/00065	P: Holy Trinity	W: Holy Trinity	Section 106 Signed Agreement Date: 16/04/2008		
The Western Half Of The Civic Hall Carpark, London Road and Alexandra Terrace, Guildford, Surrey, GU1					
Purpose Type	Project Details (2)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Other: CCTV Contribution - Towards CCTV and associated equipment and links to police network	1 CCTV, pedestrian access between Glive and the car park Residing Responsibility: Engineers	£0.00	£37,093.46	£0.00	
Purpose Number: 2 - Other: Improving signage to York Road MSC	2 Funds Awaiting Allocation Residing Responsibility: Car Parks	£15,897.20 Expires: 14/01/2015	£0.00	£0.00	
Totals:		£15,897.20	£37,093.46	£0.00	

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Holy Trinity

Obligations with Funds Available

Uncommitted: £128,862.91
Committed: £176,802.89

Agenda item number 9
Appendix 1

08/P/00066 P: Holy Trinity W: Holy Trinity Section 106 Signed Agreement Date: 16/04/2008
The Guildford Hotel, 253 High Street, Guildford, GU1 3JG

Purpose Type	Project Details (2)	Uncommitted	Committed	Spent
Purpose Number: 1 - Other: CCTV Contribution - Towards CCTV and associated equipment and links to police network	1 CCTV, towards capital bid for CCTV for town center Residing Responsibility: Engineers	£0.00	£2,649.53	£0.00
Purpose Number: 2 - Parks: Towards off-site recreational provision in the vicinity of the Development.	2 Foxenden Quarry Playground Improvements Residing Responsibility: Parks	£0.00	£22,499.25	£628.75
Totals:		£0.00	£25,148.78	£628.75

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Holy Trinity

Obligations with Funds Available

Uncommitted: £128,862.91
Committed: £176,802.89

09/P/00314		P: Holy Trinity	W: Holy Trinity	Section 106 Signed Agreement Date: 19/01/2010	
The Quarry 1 & 3 Chantry View Road, Guildford, GU1 3XW					
Purpose Type	Project Details (2)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Parks: Public Open Space Contribution - towards the provision at Shalford Park.	1 Shalford Park Trim Trail Residing Responsibility: Parks	£0.00	£18,313.08	£0.00	
Purpose Number: 2 - Environmental Policy & Design: Improve boundary between south of Meadows and the A281.	2 Funds Awaiting Allocation Residing Responsibility:	£16,783.44	£0.00	£0.00	
		Totals:	£16,783.44	£18,313.08	£0.00

10/P/01725		P: Holy Trinity	W: Holy Trinity	Section 106 Signed Agreement Date: 25/11/2010	
Turret House, 1 Jenner Road, Guildford, GU1 3PH					
Purpose Type	Project Details (1)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Environmental Policy & Design: Towards purchase and planting of new street trees, including construction of new tree pits on land front 1-21 Epsom Road and 2-20 London Road	1 Funds Awaiting Allocation Residing Responsibility:	£13,561.52	£0.00	£0.00	
		Totals:	£13,561.52	£0.00	£0.00

Appendix 3
 Agency item number: 90

Holy Trinity

Obligations with Funds Available

Uncommitted: £128,862.91
Committed: £176,802.89

Agenda item number 9
Appendix 1

10/P/02379 P: Holy Trinity W: Holy Trinity Section 106 Signed Agreement Date: 11/05/2011
76 North Street, Guildford, GU1 4AW

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Towards providing or improving recreation open space that might reasonably be enjoyed by the persons resident in the dwellings.	1 Foxenden Quarry Playground Improvements Residing Responsibility: Parks	£0.00	£12,455.43	£0.00
Totals:		£0.00	£12,455.43	£0.00

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12/P/02171 P: Holy Trinity W: Holy Trinity Section 106 Signed Agreement Date: 14/02/2013
17-18 Quarry Street, Guildford, GU1 3UY

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Towards providing or improving recreation open space that might reasonably be enjoyed by persons resident in the dwellings.	1 Foxenden Quarry Playground Improvements Residing Responsibility: Parks	£0.00	£6,774.03	£0.00
Totals:		£0.00	£6,774.03	£0.00

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Holy Trinity

Obligations with Funds Available

Uncommitted: £128,862.91
Committed: £176,802.89

14/P/01519 P: Holy Trinity W: Holy Trinity Section 106 Signed Agreement Date: 20/11/2014
14 Quarry Street, Guildford, GU1 3UY

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Towards the provisions or improvement of recreational open space serving the recreational open space needs of the Development.	1 Foxenden Quarry Playground Improvements Residing Responsibility: Parks	£0.00	£15,371.21	£0.00
Totals:		£0.00	£15,371.21	£0.00

Holy Trinity

Obligations with Funds Available

Uncommitted: £128,862.91
Committed: £176,802.89

Agenda item number 9
Appendix 1

16/P/01886 P: Holy Trinity W: Holy Trinity Section 106 Signed Agreement Date: 29/06/2017
ALVASTON, 3 Clandon Road, Guildford

Purpose Type	Project Details (3)	Uncommitted	Committed	Spent
Purpose Number: 1 - Early Education (SCC): A project to provide additional places at Guildford Nursery School and Children Centre, York Road.	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£9,379.82	£0.00	£0.00
Purpose Number: 2 - Primary education contribution (SCC): A project at St Joseph's Catholic Primary School to provide an additional hard play area, allowing the school to increase its pupil numbers.	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£9,860.07	£0.00	£0.00
Purpose Number: 3 - Secondary education contribution (SCC): A project at Guildford County School for refurbishment to provide additional mathematics classrooms which will enable the school to increase its capacity and provide places for more children.	3 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£8,425.76	£0.00	£0.00
Totals:		£27,665.65	£0.00	£0.00

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Holy Trinity

Obligations with Funds Available

Uncommitted: £128,862.91
Committed: £176,802.89

16/P/02557 P: Holy Trinity W: Holy Trinity Section 106 Signed Agreement Date: 02/05/2017
255 High Street, Guildford, GU1 3BJ

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Environmental improvement contribution: Landscaping Contribution - improvement of landscape area (coloured blue on plan 2) (next to Glive).	1 Tree next to Glive (in case of damage due to construction on neighbouring property) Residing Responsibility: Parks	£0.00	£31,387.93	£0.00
Totals:		£0.00	£31,387.93	£0.00

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Lovelace

Obligations with Funds Available

Uncommitted: £0.00
Committed: £5,000.00

Agenda item number: 9
Appendix 1

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Lovelace

Obligations with Funds Available

Uncommitted: £0.00
Committed: £5,000.00

Agenda item number 9
Appendix 1

10/P/00796 P: Ripley W: Lovelace Section 106 Signed Agreement Date: 21/06/2010
37-43, Newark Lane, Ripley, Woking, GU23 6BS

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - SCC Highways: Towards pedestrian improvements in the vicinity of the Land	1 Pedestrian Improvements to widen the footway on the north side of Newark Lane and install bollards on the footway Residing Responsibility: Surrey County Council	£0.00	£5,000.00	£0.00
Totals:		£0.00	£5,000.00	£0.00

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Merrow

Obligations with Funds Available

Uncommitted: £57,857.59
Committed: £11,550.00

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Merrow

Obligations with Funds Available

Uncommitted: £57,857.59
Committed: £11,550.00

08/P/01830 P: Merrow W: Merrow Section 106 Signed Agreement Date: 10/11/2009
Tretower House, Merrow Street, Guildford, GU4 7AT

Purpose Type	Project Details (3)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Towards off-site public open space provision.	1 Bushy Hill Play Facilities Residing Responsibility: Parks	£0.00	£0.00	£15,804.00
	2 Merrow Downs, signage and boundary works Residing Responsibility: Parks	£0.00	£11,550.00	£0.00
Purpose Number: 2 - SCC Highways: Transportation impact fee	3 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£41,962.00	£0.00	£0.00
Totals:		£41,962.00	£11,550.00	£15,804.00

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Agenda item number: 9
Appendix 1

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Merrow

Obligations with Funds Available

Uncommitted: £57,857.59
Committed: £11,550.00

Agenda item number 9
Appendix 1

21/P/02643 P: Merrow W: Merrow Section 106 Signed Agreement Date: 07/06/2022
Tretower House, Merrow Street, Guildford, GU4 7AT

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Other contribution: Drainage Infrastructure Contribution towards the drainage investigation and maintenance on Merrow Street.	1 Funds Awaiting Allocation Residing Responsibility: Engineers	£15,895.59	£0.00	£0.00
Totals:		£15,895.59	£0.00	£0.00

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Onslow

Obligations with Funds Available

Uncommitted: £0.00
Committed: £100,253.17

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Onslow

Obligations with Funds Available

Uncommitted: £0.00
Committed: £100,253.17

21/P/02296 P: Onslow W: Onslow Section 106 Signed Agreement Date: 09/06/2022
1 & 2 Ash Grove, Guildford, GU2 8UT

Purpose Type	Project Details (2)	Uncommitted	Committed	Spent
Purpose Number: 1 - Other contribution: Sustainable Travel Improvements Contribution towards the implementation of the Guildford Community Bike Share Scheme.	1 Bike Share Scheme Residing Responsibility: Major Projects	£0.00	£37,594.94	£0.00
Purpose Number: 2 - Other contribution: Pedestrian/Cycle Route Contribution towards improvements and upgrade works to the pedestrian/cycle route between the point at which the Pedestrian Bridge will meet the public footway adjoining the A3 Middleton Road and the University of Surrey Campus.	2 Pedestrian/Cycle Route Improvements, between pedestrian bridge and Uni of Surrey Campus Residing Responsibility: Major Projects	£0.00	£62,658.23	£0.00
Totals:		£0.00	£100,253.17	£0.00

Send

Obligations with Funds Available

Uncommitted: £442,548.99
Committed: £300,119.92

Agenda Item number: 9
Appendix 1

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Send

Obligations with Funds Available

Uncommitted: £442,548.99
Committed: £300,119.92

Agenda item number 9 Appendix 1

14/P/00107 P: Send W: Send Section 106 Signed Agreement Date: 03/07/2014
Aldertons Farm, Send Marsh Road, Send, WOKING, GU23 7DJ

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Towards providing or improving recreation Open Space that might reasonably be enjoyed by persons resident.	1 Heathfield Nature Reserve, boardwalk & safety signage Residing Responsibility: Parks	£0.00	£13,244.92	£0.00
Totals:		£0.00	£13,244.92	£0.00

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Send

Obligations with Funds Available

Uncommitted:
£442,548.99

Committed:
£300,119.92

19/P/00027 P: Send W: Send Section 106 Signed Agreement Date: 24/09/2019

Clockbarn Nursery, Tannery Lane, Send, Woking, GU23 7EF

Purpose Type	Project Details (5)	Uncommitted	Committed	Spent
Purpose Number: 1 - Recreational open space contribution: Send Open Space Contributions - for the purpose of Open Space provision and improvements within Send Parish and Send Parish Council Recreation Ground including improvements to the Pavilion all of which are necessitated by the Development.	1 New Pavilion at Send Recreation Ground (to be spent by Send PC) Residing Responsibility: Parish Council	£0.00	£210,000.00	£0.00
Purpose Number: 2 - Secondary education contribution (SCC): Towards expanded facilities Secondary Education at St Peters Catholic School to serve pupils residing at the Development.	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£263,734.00	£0.00	£0.00
Purpose Number: 3 - Police: Towards the funding of increased Police staff, buildings, vehicles and equipment for Police facilities.	3 Funds Awaiting Allocation Residing Responsibility: Police	£14,736.05	£0.00	£0.00
Purpose Number: 4 - Healthcare: Towards the funding of increased Healthcare buildings and equipment for GP Surgeries serving the Development.	4 Send The Villages Practice (extension of Practice) Residing Responsibility: Clinical Commissioning Group	£0.00	£50,875.00	£0.00
Purpose Number: 5 - Environmental improvement contribution: Community Area Contribution towards outdoor community areas x 2 within Send Parish namely Heathfield Nature Reserve Sanger Drive and The Wildlife Area at The Villages Medical Centre.	5 Outdoor community areas within Send Parish namely Heathfield Nature Reserve Sanger Drive and The Wildlife Area at The Villages Medical Centre Residing Responsibility: Parks	£0.00	£26,000.00	£0.00

Agenda item number: 9 Appendix 1

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Send

Obligations with Funds Available

Uncommitted: £442,548.99
Committed: £300,119.92

Agenda item number: 9
Appendix 1

		Totals:	£278,470.05	£286,875.00	
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Send

Obligations with Funds Available

Uncommitted:
£442,548.99

Committed:
£300,119.92

19/P/02237	P: Send	W: Send	Section 106 Signed Agreement Date: 02/02/2021		
Land adjacent to, Pembroke House, 54 Potters Lane, Send, Woking, GU23 7AL					
Purpose Type	Project Details (6)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Recreational open space contribution: Providing or upgrading recreation open space which is open to the general public and which is in the vicinity of and serve the development.	1 Funds Awaiting Allocation Residing Responsibility: Parks	£30,514.18 Expires: 25/03/2029	£0.00	£0.00	
Purpose Number: 2 - Highway improvement contribution: Bus Shelter Contribution - New bus shelter on Woking Road, including Real Time Passenger Information and electrical power supply connection.	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£21,236.49 Expires: 25/03/2029	£0.00	£0.00	
Purpose Number: 3 - Highway improvement contribution: Rights of Way Improvement Contribution - Towards rights of way improvements in vicinity of and serving the Development including promoting public access thereto.	3 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£25,483.78 Expires: 25/03/2029	£0.00	£0.00	
Purpose Number: 4 - Early Education (SCC): Towards the provision of and improvement of educational facilities required for serving the development.	4 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£7,147.14 Expires: 25/03/2029	£0.00	£0.00	
Purpose Number: 5 - Primary education contribution (SCC): Towards the provision of and improvement of educational facilities required for serving the development.	5 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£39,503.05 Expires: 25/03/2029	£0.00	£0.00	

Appendix 1
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Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Send

Obligations with Funds Available

Uncommitted: £442,548.99
Committed: £300,119.92

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19/P/02237 P: Send W: Send Section 106 Signed Agreement Date: 02/02/2021
Land adjacent to, Pembroke House, 54 Potters Lane, Send, Woking, GU23 7AL

Purpose Type	Project Details (6)	Uncommitted	Committed	Spent
Purpose Number: 6 - Secondary education contribution (SCC): Towards the provision of and improvement of educational facilities required for serving the development.	6 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£40,194.30	£0.00	£0.00
Totals:		£164,078.94	£0.00	£0.00

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Shalford

Obligations with Funds Available

Uncommitted: £0.00
Committed: £17,218.16

Shalford

Obligations with Funds Available

Uncommitted: £0.00
Committed: £17,218.16

07/P/00444		P: Shalford	W: Shalford	Section 106 Signed Agreement Date: 26/04/2007	
Nelco Works, Station Road, Shalford, Guildford, Surrey, GU4					
Purpose Type	Project Details (1)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Transport: Review of the implementation of waiting restrictions along Station Road Shalford.	1 Review of the implementation of waiting restrictions along Station Road Shalford. Residing Responsibility: Surrey County Council	£0.00	£5,000.00	£0.00	
Totals:		£0.00	£5,000.00	£0.00	

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20/P/01291		P: Shalford	W: Shalford	Section 106 Signed Agreement Date: 04/06/2021	
Ashley House, Christmas Hill, Shalford, Guildford, GU4 8HN					
Purpose Type	Project Details (2)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Environmental improvement contribution: Works to narrow the access track by 12 inches to prevent obstruction by vehicles thereby safeguarding access/egress for ambulances and other emergency vehicles and the provision of associated signage.	1 Narrowing of access track to care home and signage Residing Responsibility: Parks	£0.00	£7,373.03	£0.00	
Purpose Number: 2 - Travel Plan (SCC): Travel Auditing Fee	2 Travel Audit Fee Residing Responsibility: Surrey County Council	£0.00	£4,845.13	£0.00	
Totals:		£0.00	£12,218.16	£0.00	

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Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Stoke

Obligations with Funds Available

Uncommitted: £18,046.77
Committed: £0.00

Agenda item number: Appendix

14/P/00249 P: Stoke W: Stoke Section 106 Signed Agreement Date: 22/05/2014
Jacobs Yard, Slyfield Green, Guildford, GU1 1RL

Purpose Type	Project Details (2)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Towards providing or improving recreation open space that might reasonably be enjoyed by persons resident in the dwellings to be constructed.	1 Multi Unit, Waterside Road Play Area Residing Responsibility: Parks	£0.00	£0.00	£6,887.43
	2 Funds Awaiting Allocation Residing Responsibility: Parks	£18,046.77	£0.00	£0.00
Totals:		£18,046.77	£0.00	£6,887.43

Stoughton

Obligations with Funds Available

Uncommitted: £49,790.92
Committed: £7,849.68

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Stoughton

Obligations with Funds Available

Uncommitted:
£49,790.92

Committed:
£7,849.68

04/P/01779 P: Stoughton W: Stoughton Section 106 Signed Agreement Date: 26/07/2005
130 Worplesdon Road and 82, New Cross Road, Guildford, GU2

Purpose Type	Project Details (2)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Towards off site recreational facilities.	1 Tilehouse Playground and boundary works Residing Responsibility: Parks	£0.00	£7,849.68	£0.00
	2 Tilehouse Play and Fitness Equipment Residing Responsibility: Parks	£0.00	£0.00	£14,045.56
Totals:		£0.00	£7,849.68	£14,045.56

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Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Stoughton

Obligations with Funds Available

Uncommitted: £49,790.92
Committed: £7,849.68

Agenda item number 9
Appendix 1

18/P/00043		P: Stoughton	W: Stoughton	Section 106 Signed Agreement Date: 08/06/2018	
Stoughton Social Club, 172 Worplesdon Road, Guildford					
Purpose Type	Project Details (3)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Early Education (SCC): Early years - project at the Cadet Centre on Railton Road.	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£9,984.46	£0.00	£0.00	
Purpose Number: 2 - Primary education contribution (SCC): Primary - a project at St Joseph's Catholic Primary School to provide additional hard play area; allowing the school to increase its pupil numbers.	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£18,327.63	£0.00	£0.00	
Purpose Number: 3 - Secondary education contribution (SCC): Secondary - would be applied to a project at St Peter's Catholic Secondary School.	3 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£21,478.83	£0.00	£0.00	
Totals:		£49,790.92	£0.00	£0.00	

The Pilgrims

Obligations with Funds Available

Uncommitted: £9,200.60
Committed: £0.00

The Pilgrims

Obligations with Funds Available

Uncommitted:
£9,200.60

Committed:
£0.00

09/P/01550		P: Shackleford	W: The Pilgrims	Section 106 Signed Agreement Date: 21/12/2009	
Shackleford Mushroom Farm, Shackleford Road, Shackleford, Godalming, GU8					
Purpose Type	Project Details (4)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Other: The improvement and refurbishment of leisure centres, pools and halls within the area of the Development.	1 Funds Awaiting Allocation Residing Responsibility: Parish Council	£5,738.69	£0.00	£0.00	
Purpose Number: 2 - Other: Recycling Contribution -Meeting the capital costs of additional facilities within the area of the Development to recycle waste generated by additional population and workers.	2 Funds Awaiting Allocation Residing Responsibility:	£580.91	£0.00	£0.00	
Purpose Number: 3 - Environmental Policy & Design: Environmental Improvements - improving the visual attractiveness of the area within which the Development is located and promoting a sense of local pride and civic identity and the reduction of crime.	3 Benches, Shackleford Residing Responsibility: Environmental	£0.00	£0.00	£2,400.00	
	4 Funds Awaiting Allocation Residing Responsibility: Parish Council	£2,881.00	£0.00		
Totals:		£9,200.60	£0.00	£2,400.00	

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Tillingbourne

Obligations with Funds Available

Uncommitted: £0.00
Committed: £30,384.79

Agenda item number 9
Appendix 1

09/P/01526		P: Albury	W: Tillingbourne	Section 106 Signed Agreement Date: 01/02/2010	
The Mansion, Albury Park, New Road, Albury, Guildford, GU5 9BB					
Purpose Type	Project Details (2)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Parks: Open Space.	1 Albury PC, Drainage and track improvements Residing Responsibility: Parish Council	£0.00	£15,678.81	£0.00	
	2 Albury Recreation Ground (multiplay unit, trim trail and exercise equipment) Residing Responsibility: Parks	£0.00	£0.00	£14,353.27	
Totals:		£0.00	£15,678.81	£14,353.27	

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15/P/00210		P: Shere	W: Tillingbourne	Section 106 Signed Agreement Date: 15/04/2015	
The Tannery, Queen Street, Gomshall, Guildford, GU5 9LY					
Purpose Type	Project Details (1)	Uncommitted	Committed	Spent	
Purpose Number: 1 - Parks: Towards the provisions or improvement of recreational open space serving the recreational open space needs of the Development.	1 Gunpowder Mills Residing Responsibility: Parks	£0.00	£14,705.98	£5,435.00	
	Totals:		£0.00	£14,705.98	£5,435.00

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Westborough

Obligations with Funds Available

Uncommitted: £144,824.92
Committed: £54,682.11

19/P/00016 P: Westborough W: Westborough Section 106 Signed Agreement Date: 22/02/2022
The Apple Tree, Southway, Guildford, GU2 8DT

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Recreational open space contribution: to upgrade any Local Area for Play (LAP) or Local Equipped Area for Play (LEAP) in the locality of the Development	1 Westborough Play Area Refurbishment Project Residing Responsibility: Parks	£0.00	£11,665.00	£0.00
Totals:		£0.00	£11,665.00	£0.00

Westborough

Obligations with Funds Available

Uncommitted: £144,824.92
Committed: £54,682.11

Agenda item number 9
Appendix 1

21/P/01659 P: Westborough W: Westborough Section 106 Signed Agreement Date: 17/02/2022
Former Westway car park, Aldershot Road, Guildford, GU2 8YH

Purpose Type	Project Details (5)	Uncommitted	Committed	Spent
Purpose Number: 1 - Recreational open space contribution: Children's Play Space Facilities - towards the improvement of children's play space facilities within the vicinity of the Land.	1 Westborough Project Residing Responsibility: Parks	£0.00	£43,017.11	£0.00
Purpose Number: 2 - Highway improvement contribution: Towards improvements to highway safety and to pedestrian and cycle connections within the vicinity of the Land including but not limited to improvements to the conversion of the existing zebra crossing into a puffin crossing on Aldershot Road	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£63,710.18	£0.00	£0.00
Purpose Number: 3 - Early Education (SCC): Provision of additional early years places to serve the residents of the Development	3 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£26,442.91	£0.00	£0.00
Purpose Number: 4 - Recreational open space contribution: Playing Fields Improvements - towards the improvement of playing fields within the vicinity of the Land.	4 Funds Awaiting Allocation Residing Responsibility: Parks	£52,860.34	£0.00	£0.00
Purpose Number: 5 - Recreational open space contribution: Amenity Space Improvements - towards the improvement of amenity space within the vicinity of the Land.	5 Westborough Project Residing Responsibility: Parks	£1,811.49	£0.00	£0.00

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Westborough

Obligations with Funds Available

Uncommitted: £144,824.92
Committed: £54,682.11

	Totals:	£144,824.92	£43,017.11	£0.00
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Worplesdon

Obligations with Funds Available

Uncommitted: £1,244,634.96
Committed: £188,248.81

07/P02626	P: Worplesdon	W: Worplesdon	Section 106 Signed Agreement Date: 12/05/2008	
Former T & R Generator Site, Keens Lane, Guildford				
Purpose Type	Project Details (3)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Towards the provision of teenage play equipment in the Worplesdon ward.	1 Briars Playground Improvements Residing Responsibility: Parks	£0.00	£0.00	£7,623.42
	2 Skate Equipment, Worplesdon Parish Residing Responsibility: Parks	£0.00	£0.00	£61,999.41
	3 Baird Drive play improvements Residing Responsibility: Parks	£0.00	£2,126.74	£0.00
Totals:		£0.00	£2,126.74	£69,553.83

Agenda item number:
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Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Worplesdon

Obligations with Funds Available

Uncommitted: £1,244,634.96
Committed: £188,248.81

Agenda item number 9
Appendix 1

11/P/00409 P: Worplesdon W: Worplesdon Section 106 Signed Agreement Date: 13/06/2011
Guildford Shades Marquees, Keens Lane, Guildford, GU3 3JS

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Parks: Towards providing or improving recreation open space that might reasonably be enjoyed by persons resident in the dwellings to be constructed.	1 Baird Drive play improvements or Barnwood Drive Residing Responsibility: Parks	£0.00	£37,153.29	£0.00
Totals:		£0.00	£37,153.29	£0.00

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Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Worplesdon

Obligations with Funds Available

Uncommitted: £1,244,634.96
Committed: £188,248.81

15/P/01987 P: Worplesdon W: Worplesdon Section 106 Signed Agreement Date: 17/10/2017

Carter and Son Scrap Metal And Breakers Yard, Aldershot Road, Worplesdon, Guildford, GU3 3HF

Purpose Type	Project Details (3)	Uncommitted	Committed	Spent
Purpose Number: 1 - Early Education (SCC): For improvements to the outside area and hall, to allow 12 additional pre-school places at Worplesdon Pre-School	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£31,958.10	£0.00	£0.00
Purpose Number: 2 - Primary education contribution (SCC): To enable an increase in school places at Stoughton Infant School	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£190,246.80	£0.00	£0.00
Purpose Number: 3 - Secondary education contribution (SCC): For the provision of a new media classroom at St Peter's RC Secondary.	3 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£210,598.13	£0.00	£0.00
Totals:		£432,803.03	£0.00	£0.00

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Worplesdon

Obligations with Funds Available

Uncommitted: £1,244,634.96
Committed: £188,248.81

Agenda item number 9 Appendix 1

18/P/01014 P: Worplesdon W: Worplesdon Section 106 Signed Agreement Date: 28/11/2018

Land North of Keens Lane and, Tangle Lane, Guildford

Purpose Type	Project Details (9)	Uncommitted	Committed	Spent
Purpose Number: 1 - Environmental improvement contribution: Surrey Wildlife Trust -Towards maintenance of the SNCI at Chittys Common, Keens Lane, including improving footpaths, providing new ponds to improve Great Crested Newt habitat, scrub/site clearance around new pond sites and in woodland and additional boardwalk in wet areas.	1 Chittys Common, maintenance (SWT&SCC) Residing Responsibility: Surrey Wildlife Trust	£0.00	£20,147.63	£0.00
Purpose Number: 2 - Early Education (SCC): Additional early years places at worplesdon Primary School	2 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£101,221.02 Expires: 05/09/2029	£0.00	£0.00
Purpose Number: 3 - Secondary education contribution (SCC): refurbishment projects at Guildford County School to provide additional maths classrooms	3 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£561,498.43 Expires: 18/11/2030	£0.00	£0.00
Purpose Number: 4 - Healthcare: Towards the extension of the Guildowns Practice at Park Barn and/or to expand primary care capacity at Royal Surrey Hospital.	4 North Guildford Scheme (to create new facilities for Guildowns and Woodbridge Practices) Residing Responsibility: Clinical Commissioning Group	£0.00	£128,821.15	£0.00
Purpose Number: 5 - Police: Towards equipment and recruitment and training costs for additional police officers and support staff required as a result of the development together with the cost of accommodation a minimum of an additional 1,06 officers and towards maintaining police vehicles required to serve the development.	5 Funds Awaiting Allocation Residing Responsibility: Police	£27,843.11 Expires: 18/11/2030	£0.00	£0.00

Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Worplesdon

Obligations with Funds Available

Uncommitted: £1,244,634.96
Committed: £188,248.81

18/P/01014 P: Worplesdon W: Worplesdon Section 106 Signed Agreement Date: 28/11/2018

Land North of Keens Lane and, Tangley Lane, Guildford

Purpose Type	Project Details (9)	Uncommitted	Committed	Spent
Purpose Number: 6 - Highway improvement contribution: Towards the implementation of a pedestrian refuge and footway improvements near the junction of Aldershot Road and Gravetts Lane.	6 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£35,565.71 Expires: 05/09/2029	£0.00	£0.00
Purpose Number: 7 - Highway improvement contribution: To re-validate junctions and crossings on Worplesdon Road impacted by the development.	7 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£25,404.08 Expires: 05/09/2029	£0.00	£0.00
Purpose Number: 8 - Highway improvement contribution: For public footway and bridleway improvements within the vicinity of the site.	8 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£45,727.34 Expires: 05/09/2029	£0.00	£0.00
Purpose Number: 9 - Highway improvement contribution: Pedestrian refuge on Aldershot Road	9 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£3,048.49 Expires: 05/09/2029	£0.00	£0.00
Totals:		£800,308.18	£148,968.78	£0.00

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Records: Available Funds

Key: **Red** = At risk of refund **Amber** = 180 days until risk of refund **Green** = Not at risk **Blue** = Cannot expire

Worplesdon

Obligations with Funds Available

Uncommitted: £1,244,634.96
Committed: £188,248.81

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Appendix 1

19/P/00494 P: Worplesdon W: Worplesdon Section 106 Signed Agreement Date: 11/08/2020
Rokers Animal Feed, Holly Lane, Worplesdon, Guildford, GU3 3PB

Purpose Type	Project Details (1)	Uncommitted	Committed	Spent
Purpose Number: 1 - Highway improvement contribution: Transport Contribution - Towards provision and installation of a Real Time Passenger Information System for a northbound bus stop on Aldershot Road.	1 Funds Awaiting Allocation Residing Responsibility: Surrey County Council	£11,523.75	£0.00	£0.00
Totals:		£11,523.75	£0.00	£0.00

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Summary: Pending Funds

Pending Funds

These are the details of the contributions that have been secured by Section 106 Agreements signed since 01 April 2019 but have not yet been paid.

It should be noted that these contributions will not be received if the planning permission expires before the development is implemented.

Purpose:	Pending:
Affordable Housing Contribution	£99,711.83
Early Education (SCC)	£1,177,455.25
Environmental improvement contribution	£94,125.00
Healthcare	£926,780.28
Highway improvement contribution	£3,877,563.40
Other contribution	£6,112,554.00
Police	£174,600.07
Primary education contribution (SCC)	£2,400,163.94
Public art contribution	£283,947.00
Recreational open space contribution	£563,997.38
Secondary education contribution (SCC)	£2,467,911.56
Surrey CC Other	£4,763.76
Travel Plan (SCC)	£64,550.00
Grand Total Pending:	£18,248,123.47

Records: Pending Funds

Ash South & Tongham

Obligations with Funds Pending (contributions due to be paid)

18/P/02308 P: Ash W: Ash South & Tongham Section 106 Signed Agreement Date: 18/02/2020
 Land at May and Juniper Cottages, Ash Green Road, Ash Green, Guildford, GU12 6JH

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Early Education (SCC) the provision and construction of adaptations to the existing nursery facilities at Ash Grange Primary School to accommodate additional places	£67,305.00	On commencement
Purpose Number: 2 - Primary education contribution (SCC) the provision of a new school hall at Ash Grange Primary School as part of an expansion to provide additional places	£273,656.94	On commencement
Purpose Number: 3 - Other contribution Footbridge Contribution.	£50,000.00	Prior to occupation of not more than 90 Dwellings
Purpose Number: 4 - Healthcare towards the provision of additional clinical, support and expansion either at existing GP surgeries or through the provision of new facilities	£50,000.00	On commencement
Purpose Number: 5 - Highway improvement contribution towards highway safety improvements and improvements to pedestrian and cyclist connections in the vicinity of the Land, including but not limited to works at Harper's bridge, the A31/White Lane and the PROW network	£110,000.00	Prior to first Occupation
Purpose Number: 6 - Secondary education contribution (SCC) a project at Ash Manor School to contribute towards the expansion of the school facilities to provide additional places	£295,578.56	Prior to first occupation
Purpose Number: 7 - Public art contribution towards the provision of public art within the Council's administrative area and to promote local distinctiveness in accordance with the Council's adopted Public Art Strategy	£25,000.00	On commencement
Purpose Number: 8 - Recreational open space contribution	£100,000.00	Prior to first Occupation

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Records: Pending Funds

Ash South & Tongham

Obligations with Funds Pending (contributions due to be paid)

improvement of Harpers Road Recreation Ground including the improvement of changing rooms as well as improvements to other public open space, including children's playspace facilities and sports pitches within such public open space, within the vicinity of the Land		
Purpose Number: 9 - Other contribution Ash Road Bridge - a scheme to provide and construct a new road bridge and footbridge to enable the closure of the Ash level crossing on the A323 Guildford Road adjacent to Ash railway station and/or road safety improvements in the vicinity of the Ash level crossing.	£500,000.00	Prior to first Occupation
Ash Road Bridge - a scheme to provide and construct a new road bridge and footbridge to enable the closure of the Ash level crossing on the A323 Guildford Road adjacent to Ash railway station and/or road safety improvements in the vicinity of the Ash level crossing.	£500,000.00	Prior to Occupation of 50 dwellings
Purpose Number: 10 - Travel Plan (SCC)	£4,600.00	Prior to first Occupation
Purpose Number: 11 - Highway improvement contribution TRO Contribution towards an amendment of the Traffic Regulation Order for the proposed speed limit reduction on Foreman Road	£5,000.00	On commencement

Total:	£1,981,140.50
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Records: Pending Funds

Ash South & Tongham

Obligations with Funds Pending (contributions due to be paid)

21/P/01456 Land at, Poyle Road, Tongham	P: Tongham	W: Ash South & Tongham	Section 106 Signed Agreement Date: 14/03/2023
Purpose Type:	Amount Due:	Payment Trigger Condition:	
Purpose Number: 1 - Recreational open space contribution Formal Playing Space Contribution - to provide or improve formal playing space within the vicinity of the site.	£54,069.67	On Completion of Agreement	
Purpose Number: 2 - Highway improvement contribution Towards improvements and highways safety and to pedestrian and cycle connections within the vicinity of the Land.	£1,849.80	On Completion of Agreement (Transfer from 20/P/01102)	
Purpose Number: 3 - Early Education (SCC) Provision and construction of adaptations to the existing nursery facilities at Tongham Day Care to extend nursery provision at a new site in Ash including refurbishing existing toilets and replacing flooring to accommodate an additional 16 places for 3 and 4 year olds. Provision and construction of adaptations to the existing nursery facilities at Tongham Day Care to extend nursery provision at a new site in Ash including refurbishing existing toilets and replacing flooring to accommodate an additional 16 places for 3 and 4 year olds.	£23,890.24	On Completion of Agreement (Transfer from 20/P/01102)	
	£1,685.76	On Completion of Agreement	
Purpose Number: 4 - Primary education contribution (SCC) A project at Ash Grange Primary School for the provision of additional toilets and 2 group rooms as part of a permanent expansion to provide additional places. A project at Ash Grange Primary School for the provision of additional toilets and 2 group rooms as part of a permanent expansion to provide additional places.	£108,732.70	On Completion of Agreement (Transfer from 20/P/01102)	
	£16,192.30	On Completion of Agreement	
Purpose Number: 5 - Secondary education contribution (SCC) A project at Ash Manor School to provide a new general teaching classroom which will help facilitate the permanent expansion of the school facilities to provide additional places. A project at Ash Manor School to provide a new general teaching classroom which will help facilitate the permanent expansion of the school facilities to provide additional places.	£133,718.78	Prior to first Occupation (Transfer from 20/P/01102)	
	£3,629.22	Prior to Occupation	

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Records: Pending Funds

Ash South & Tongham

Obligations with Funds Pending (contributions due to be paid)

Purpose Number: 6 - Other contribution Ash Road Bridge Contribution.	£203,469.18	Prior to first Occupation (Transfer from 20/P/01102)
Ash Road Bridge Contribution.	£203,469.18	Prior to Occupation of 17 Dwellings (Transfer from 20/P/01102)
Ash Road Bridge Contribution.	£1,072.82	Prior to first Occupation
Ash Road Bridge Contribution.	£1,072.82	Prior to Occupation of 17 Dwellings
Purpose Number: 7 - Healthcare Towards improving and increasing emergency care, elective care and cancer care within the catchment area of the Land to meet the needs of the future residents of the Development.	£78,104.82	Prior to first Occupation

Total:	£830,957.29
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Records: Pending Funds

Ash South & Tongham

Obligations with Funds Pending (contributions due to be paid)

21/P/02155		P: Tongham	W: Ash South & Tongham	Section 106 Signed Agreement Date: 03/11/2022
Land North of Springfield Cottages, Grange Road, Tongham				
Purpose Type:	Amount Due:	Payment Trigger Condition:		
Purpose Number: 1 - Recreational open space contribution Recreation Open Space Contribution - towards the improvement of public open space including children's play-space facilities within such public open space within the vicinity of the Land.	£31,944.60	On commencement		
Purpose Number: 2 - Early Education (SCC) The provision and construction of adaptations to the existing nursery facilities at a location to be determined prior to the commencement of the development to accommodate additional places.	£6,731.00	On commencement		
Purpose Number: 3 - Primary education contribution (SCC) Towards infrastructure in the Ash and Tongham planning area as part of an expansion to provide additional places therein.	£47,911.00	On commencement		
Purpose Number: 4 - Secondary education contribution (SCC) To be applied to a project at Ash Manor School to contribute towards the expansion of the school facilities to provide additional places.	£38,888.00	On commencement		
Purpose Number: 5 - Other contribution Ash Road Bridge Contribution - means a new road bridge and footbridge scheme to enable level crossing closure on A323 Guildford Road adjacent to Ash railway station.	£113,470.00	Prior to Occupation		

Total:	£238,944.60
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Records: Pending Funds

Christchurch

Obligations with Funds Pending (contributions due to be paid)

14/P/02254 P: Christchurch W: Christchurch Section 106 Signed Agreement Date: 09/11/2015
 The Clockhouse, 140 London Road and 72 Boxgrove Road, Guildford, GU1 1UW

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Highway improvement contribution Traffic Regulation Order Contribution - towards the cost of making a traffic regulation order pursuant to the Road and Traffic Regulation to implement the one new on-street car club parking scheme.	£5,000.00	Payable within 14 days of receipt of a written request from the Council

Total:	£5,000.00
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Clandon & Horsley

Obligations with Funds Pending (contributions due to be paid)

Records: Pending Funds

Clandon & Horsley

Obligations with Funds Pending (contributions due to be paid)

19/P/01541 P: East Horsley W: Clandon & Horsley Section 106 Signed Agreement Date: 03/12/2019
 Land rear of Chicane and Quintons, Ockham Road North, East Horsley, KT24 6PU

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Highway improvement contribution Upgrading 2 bus stops in East Horsley so they can be accessible and provide Real Time Passenger Information and shelters	£50,000.00	On commencement
Purpose Number: 2 - Highway improvement contribution Passenger accessibility at East Horsley Station	£100,000.00	On commencement
Purpose Number: 3 - Highway improvement contribution Resurfacing the footpath in Station Parade	£40,000.00	On commencement
Purpose Number: 4 - Travel Plan (SCC)	£6,150.00	Prior to occupation
Purpose Number: 5 - Early Education (SCC) Early Years Project at The Dawnay School, Bookham.	£70,670.25	On commencement
Purpose Number: 6 - Primary education contribution (SCC) New demountable classroom at Send DofE Primary School.	£322,745.28	On commencement
Purpose Number: 7 - Secondary education contribution (SCC) Specialist Science and D&T classrooms at St Andrews Catholic School.	£230,630.40	Prior to occupation
Purpose Number: 8 - Police Police contribution towards equipment and recruitment and training costs for additional police officers and support staff required as a result of the Development together with the cost of accommodating a minimum of an additional officers and towards maintaining police vehicles required to serve the Development	£22,791.24	Prior to first occupation

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Records: Pending Funds

Clandon & Horsley

Obligations with Funds Pending (contributions due to be paid)

Purpose Number: 9 - Other contribution East Horsley Parish Office Contribution - To be applied towards improving the Parish Councils office.	£25,000.00	Prior to first occupation
Purpose Number: 10 - Healthcare towards improving and increasing the capacity at GP surgeries within the catchment area of the Land to meet the needs of the future residents of the Development	£69,375.00	On commencement
Purpose Number: 11 - Highway improvement contribution Bus Service Contribution -Towards the maintenance and continuation of the Bus Service (no.	£250,000.00	Prior to Occupation of 100th Dwelling
Purpose Number: 12 - Highway improvement contribution Second Highway Contribution - towards improvements to bus commuter links and Bus Service.	£250,000.00	Prior to first Occupation
Total:		£1,437,362.17

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Records: Pending Funds

Clandon & Horsley

Obligations with Funds Pending (contributions due to be paid)

20/P/02067 P: West Horsley W: Clandon & Horsley Section 106 Signed Agreement Date: 15/02/2022
 Manor Farm, East Lane, West Horsley, Leatherhead, KT24 6HQ

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Highway improvement contribution Sustainable Transport Improvements A: towards enhancing the bus service serving the Development.	£250,000.00	Prior to Occupation
Purpose Number: 2 - Highway improvement contribution Sustainable Transport Improvements B: To improve passenger accessibility at Horsley Railway Station	£100,000.00	Prior to Occupation
Purpose Number: 3 - Travel Plan (SCC)	£6,150.00	Prior to Occupation
Purpose Number: 4 - Early Education (SCC) Towards the provision of early education places at the Meadows Nursery (or any other early years provider who is able to offer fully funded entitlement within the vicinity of the Development).	£37,691.00	Prior to Occupation
Purpose Number: 5 - Primary education contribution (SCC) Towards the provision of primary school education.	£390,424.00	Prior to Occupation
Purpose Number: 6 - Secondary education contribution (SCC) Towards the provision of secondary school education.	£411,218.00	Prior to Occupation
Purpose Number: 7 - Police For essential policing infrastructure, including the acquisition of premises and vehicles, and the recruitment, training, equipping of additional Police Officers required to serve the Development.	£28,747.54	Prior to Occupation
Purpose Number: 8 - Healthcare CCG Healthcare contribution (Surrey Heartlands CCG) -To accommodate increased patient numbers resulting from the development by expanding the provision of General Practice within the Guildford East Primary Care Network.	£133,200.00	Prior to Occupation

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Records: Pending Funds

Clandon & Horsley

Obligations with Funds Pending (contributions due to be paid)

Purpose Number: 9 - Healthcare NHS (Royal Surrey) contribution - To increase Accident and Emergency provision at the Royal Surrey County Hospital which serves the Development.	£285,699.21	Prior to Occupation of 100th Dwelling.
Purpose Number: 10 - Other contribution Parish Council Contribution - For the tennis court at Long Reach	£40,000.00	Prior to Occupation of 100th Dwelling
Purpose Number: 11 - Other contribution Parish Council Contributions - To improve West Horsley Village Hall.	£80,000.00	Prior to Occupation of 100th Dwelling
Purpose Number: 12 - Other contribution Horsley Railway Station Contribution - to improve the public waiting area and toilet facilities at Horsley Station serving the Development.	£200,000.00	Prior to Occupation of 70th Dwelling
Purpose Number: 13 - Early Education (SCC) Substitute Early Years Facility Contribution - for the provision of early years education places in the Borough of Guildford.	£55,190.00	Prior to completion of 29 dwellings in Phase 1C - In the event the Owners have been unable to enter into an agreement for lease with the Nursery operator.

Total: £2,018,319.75

Records: Pending Funds

Clandon & Horsley

Obligations with Funds Pending (contributions due to be paid)

21/P/00917 P: West Horsley W: Clandon & Horsley Section 106 Signed Agreement Date: 05/05/2022
 Land at Oakland Farm, Green Lane, Ockham, GU23 6PD

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Environmental improvement contribution Towards environmental improvements village enhancements comprising erection of notice boards signage tree and hedge planting within the Parish of West Horsley.	£15,000.00	Prior to first Occupation
Purpose Number: 2 - Highway improvement contribution Towards a demand responsive bus service serving the Development.	£70,000.00	Prior to first Occupation
Purpose Number: 3 - Secondary education contribution (SCC) Secondary education infrastructure in the area local to the development by way of the provision of additional places at one or more of the secondary schools within a 6 mile radius of the development site.	£116,457.00	Prior to first Occupation

Total:	£201,457.00
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Effingham

Obligations with Funds Pending (contributions due to be paid)

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Records: Pending Funds

Effingham

Obligations with Funds Pending (contributions due to be paid)

14/P/01028		P: Effingham	W: Effingham	Section 106 Signed Agreement Date: 28/04/2015
Ranmore Manor, Ranmore Common, Effingham, Dorking, RH5 6SH				
Purpose Type:	Amount Due:	Payment Trigger Condition:		
Purpose Number: 1 - Recreational open space contribution Towards off site recreational facilities.	£16,781.98	On occupation		
Purpose Number: 2 - Primary education contribution (SCC) Towards improving primary school within 2 miles of the Development.	£28,280.00	On occupation		
Purpose Number: 3 - Secondary education contribution (SCC) Towards improving a secondary school within 3 miles of the Development.	£30,614.00	On occupation		
Total:		£75,675.98		

Records: Pending Funds

Effingham

Obligations with Funds Pending (contributions due to be paid)

14/P/02109 P: Effingham W: Effingham Section 106 Signed Agreement Date: 23/06/2017
Howard Of Effingham School, Lower Road, Effingham, Leatherhead, KT24 5JR

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Other contribution KGV Contribution - towards works for the redevelopment of the KGV Hall.	£2,645,000.00	Prior to Occupation (if not submitting KGV Application) or within 10 Working Days of Refusal of the KGV Planning Application
Purpose Number: 2 - Highway improvement contribution Local Infrastructure Contribution.	£161,695.05	On or prior to occupation of each Phase 1B (159 units outline)
Local Infrastructure Contribution.	£100,678.05	On or prior to occupation of Phase 2 (99 units outline)
Local Infrastructure Contribution.	£37,627.15	On or prior to occupation of Phase 3 (37 units full pp)
Purpose Number: 3 - Travel Plan (SCC) Residential TP Monitoring Fee.	£6,150.00	Prior to occupation of the Residential Properties
Purpose Number: 4 - Early Education (SCC) Early Years Education Contribution - towards the provision of new early years setting and to provide spaces in order to mitigate for the loss of 61 spaces of early years provision arising as a result of the development.	£384,600.00	Prior to commencement of Residential Properties - 1st Instalment
Early Years Education Contribution - towards the provision of new early years setting and to provide spaces in order to mitigate for the loss of 61 spaces of early years provision arising as a result of the development.	£201,915.00	Prior to Occupation of the Residential Properties - 2nd Instalment
Purpose Number: 5 - Travel Plan (SCC) School TP Monitoring Fee.	£6,150.00	Prior to Occupation of the School

Total: £3,543,815.25

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Records: Pending Funds

Effingham

Obligations with Funds Pending (contributions due to be paid)

20/P/00737	P: Effingham	W: Effingham	Section 106 Signed Agreement Date: 03/08/2021
Orchard Walls, Beech Avenue, Effingham, Leatherhead, KT24 5PG			
Purpose Type:	Amount Due:	Payment Trigger Condition:	
Purpose Number: 1 - Affordable Housing Contribution Towards the provision of affordable housing within the administrative area of the Council.	£98,211.83	On commencement	
Total:		£98,211.83	

Records: Pending Funds

Effingham

Obligations with Funds Pending (contributions due to be paid)

21/P/01306 P: Effingham W: Effingham Section 106 Signed Agreement Date: 11/10/2022
 Land at Effingham Lodge Farm, Lower Road, Effingham, Leatherhead, KT24 5JP

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Highway improvement contribution Bus Contribution towards bus services, including a Digital Demand Responsive Bus Service. Bus Contribution towards bus services, including a Digital Demand Responsive Bus Service. Bus Contribution towards bus services, including a Digital Demand Responsive Bus Service.	£91,667.00 £91,667.00 £91,667.00	Prior to Occupation of more than 25% of dwellings Prior to the first anniversary of the date of the first instalment Prior to the second anniversary of the date of the first instalment
Purpose Number: 2 - Healthcare Towards the provision of additional clinical and support accommodation and primary care support at Local GP practices within the vicinity of the Land. Towards the provision of additional clinical and support accommodation and primary care support at Local GP practices within the vicinity of the Land.	£55,000.00 £55,000.00	On commencement Prior to Occupation
Purpose Number: 3 - Early Education (SCC) Towards early years education provision within the vicinity of the Land. Towards early years education provision within the vicinity of the Land.	£37,018.00 £37,018.00	On commencement Prior to Occupation
Purpose Number: 4 - Highway improvement contribution Towards the Lower Road/Effingham Common Road Traffic Calming scheme.	£50,000.00	On commencement
Purpose Number: 5 - Travel Plan (SCC)	£6,150.00	On commencement
Purpose Number: 6 - Police Towards equipment, recruitment and training costs for additional police offices and support staff required as a result of the Development together with the cost of accommodating additional staff members and towards maintaining police vehicles required to serve the development.	£21,526.36	Prior to Occupation

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Records: Pending Funds

Effingham

Obligations with Funds Pending (contributions due to be paid)

Total: £536,713.36

Friary & St. Nicolas

Obligations with Funds Pending (contributions due to be paid)

03/P/02069

P: Friary & St. Nicolas W: Friary & St. Nicolas

Section 106 Signed Agreement Date: 04/11/2004

The Drink, Bar Mambo and 1-5 The Quadrant, Onslow Street, Guildford, Surrey, GU1

Purpose Type:

Amount Due:

Payment Trigger Condition:

Purpose Number: 1 - SCC Highways
 Towards the purpose of highway improvements to the Gyratory system in the Bridge Street area of Guildford and in consideration of any costs incurred by the County Council in connection with the stopping - up of any part of the Planning Application site that may be comprised in any highway in Bedford Road within 5 years of the date of payment.

£80,000.00

Within 28 days of commencement (Payable directly to SCC)

Total: £80,000.00

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Records: Pending Funds

Friary & St. Nicolas

Obligations with Funds Pending (contributions due to be paid)

03/P/02595 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 01/10/2004
75-78 Woodbridge Road, Guildford, Surrey, GU1

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - SCC Highways Traffic Regulation Contribution - to the costs of a Traffic Regulation Order and other works required for the repositioning of parking bays in Church Road.	£2,500.00	28 days after commencement (Payable directly to SCC)

Total:	£2,500.00
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14/P/02168 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 21/11/2017
Guildford Railway Station, Station View, Guildford GU1 4UT

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Highway improvement contribution Pedestrian and cycle safety and sustainability improvements between the Station and the Town Centre.	£338,714.00	On Occupation of 150th resi unit
Purpose Number: 2 - Public art contribution Pay if strategy not approved	£218,947.00	If strategy is not approved - before comm of Phase 6

Total:	£557,661.00
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Records: Pending Funds

Friary & St. Nicolas

Obligations with Funds Pending (contributions due to be paid)

21/P/00956 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 29/12/2022
Lantern House & Carriage House, Walnut Tree Close, Guildford, GU1 4TX

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Highway improvement contribution Towards the implementation of a road safety improvement scheme within the vicinity of the site and Yorkies bridge.	£29,500.00	On commencement

Total: £29,500.00

21/P/01811 P: Friary & St. Nicolas W: Friary & St. Nicolas Section 106 Signed Agreement Date: 31/05/2022
Guildford Plaza (former Burymead House), Portsmouth Road, Guildford, GU2 4DH

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Affordable Housing Contribution DMR Fee - To be paid to the Council on an annual basis pursuant to para 3,14 of Part 1 of Schedule 2 to be used by the Council towards the Costs of Monitoring the performance of the Affordable Housing obligations and the auditing of the Letting Information submitted pursuant to paragraph 3,10 of Part 1 of Schedule 2.	£1,500.00	Annually on anniversary of the date of the first payment

Total: £1,500.00

Lovelace

Obligations with Funds Pending (contributions due to be paid)

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Records: Pending Funds

Lovelace

Obligations with Funds Pending (contributions due to be paid)

20/P/01057 P: Ripley W: Lovelace Section 106 Signed Agreement Date: 07/02/2023
 White Horse Yard, High Street, Ripley, GU23 6BB

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Recreational open space contribution Amenity Contribution - towards amenity space and/or natural open space serving the development.	£3,952.00	Prior to first Occupation
Purpose Number: 2 - Highway improvement contribution To improve the junction of Newark Lane and Ripley Lane.	£30,000.00	Prior to first Occupation
Purpose Number: 3 - Highway improvement contribution Speed (Traffic) Management Contribution - Towards a traffic regulation order to manage the speed of traffic on the High Street, Ripley.	£6,000.00	On commencement
Purpose Number: 4 - Early Education (SCC) Towards education and/or educational project(s) for the benefit of early years aged children at a location(s) serving the Development to be determined and confirmed by the County Council.	£17,499.00	Prior to first Occupation
Purpose Number: 5 - Primary education contribution (SCC) Towards education and/or educational project(s) for the benefit of primary school aged children at a location(s) serving the Development to be determined and confirmed by the County Council.	£79,211.00	Prior to Occupation of more than 50% of the Development.
Purpose Number: 6 - Secondary education contribution (SCC) Towards education and/or educational project(s) for the benefit of secondary education aged children at a location(s) serving the Development to be determined and confirmed by the County Council.	£88,532.00	Prior to Occupation of more than 50% of the Development.
Purpose Number: 7 - Recreational open space contribution Playspace Contribution - towards the provision of childrens placespaces in the vicinity of the Development.	£32,907.00	Prior to first Occupation

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Records: Pending Funds

Lovelace

Obligations with Funds Pending (contributions due to be paid)

Purpose Number: 8 - Recreational open space contribution Youth Contribution - towards the provision of playing fields and/or youth services in the vicinity of the Development.	£40,419.00	Prior to first Occupation
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Total:	£298,520.00
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Normandy

Obligations with Funds Pending (contributions due to be paid)

18/P/1591 P: Normandy W: Normandy Section 106 Signed Agreement Date: 19/08/2019
 Land south of, Beech Lane, Normandy, GU3 2JH

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Primary education contribution (SCC) Ash Grange Primary School - provision of additional hard play area and other associated works: as part of a permanent expansion.	£17,023.00	On commencement
Purpose Number: 2 - Secondary education contribution (SCC) Ash Manor - provide additional staff offices at the school: which will help facilitate the schools permanent expansion.	£14,273.00	On commencement

Total:	£31,296.00
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Records: Pending Funds

Normandy

Obligations with Funds Pending (contributions due to be paid)

20/P/01148

P: Normandy

W: Normandy

Section 106 Signed Agreement Date: 27/10/2022

Land south of, Beech Lane, Normandy, GU3 2JH

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Recreational open space contribution Towards the improvement of public open space including childrens play-space facilities within the vicinity of the Land.	£40,010.28	Prior to Occupation
Purpose Number: 2 - Early Education (SCC) Towards a project at a location to be determined and confirmed by the County Council.	£10,769.00	Prior to Commencement
Purpose Number: 3 - Primary education contribution (SCC) Project at Ash Primary School to provide additional hardplay areas and other associated works.	£34,869.00	Prior to Commencement
Purpose Number: 4 - Secondary education contribution (SCC) To provide additional staff offices at Ash Manor Secondary School to facilitate the schools permanent expansion.	£38,888.00	Prior to first Occupation

Total: £124,536.28

Onslow

Obligations with Funds Pending (contributions due to be paid)

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Records: Pending Funds

Onslow

Obligations with Funds Pending (contributions due to be paid)

19/P/01994	P: Onslow	W: Onslow	Section 106 Signed Agreement Date: 24/03/2021
Safeguard Bus Depot and 7 Ridgemount, Guildford, GU2 7TH			
Purpose Type:	Amount Due:	Payment Trigger Condition:	
Purpose Number: 1 - Recreational open space contribution For the Park Barn & Westborough area play areas	£37,324.23	On commencement	
Purpose Number: 2 - Highway improvement contribution Road Safety Improvement Schemes within the vicinity of the site to include but not limited to: installation of traffic islands to improve crossing for pedestrians, speed reducing measures and vehicle activated signage	£70,000.00	Prior to occupation	
Purpose Number: 3 - Early Education (SCC) To expand an existing Early years provision in the local area.	£12,788.00	On commencement	
Purpose Number: 4 - Primary education contribution (SCC) Improvements at Onslow Infant School to expand provision at the school	£31,849.00	On commencement	

Total:	£151,961.23
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Records: Pending Funds

Onslow

Obligations with Funds Pending (contributions due to be paid)

20/P/00295 P: Onslow W: Onslow Section 106 Signed Agreement Date: 09/10/2020
 4 Guildford Business Park, Guildford Business Park Road, Guildford, GU2 8SG

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Highway improvement contribution Pedestrian and Cycle Improvements within the vicinity of the Land	£135,000.00	On commencement
Purpose Number: 2 - Highway improvement contribution RTPI - Real Time Passenger Information within the development on the Land	£10,000.00	On commencement
Purpose Number: 3 - Travel Plan (SCC) To be used to monitor the Travel Plan.	£6,150.00	on 1st Occupation

Total:	£151,150.00
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Records: Pending Funds

Onslow

Obligations with Funds Pending (contributions due to be paid)

21/P/00678		P: Onslow	W: Onslow	Section 106 Signed Agreement Date: 18/01/2022
4 Guildford Business Park, Guildford Business Park Road, Guildford, GU2 8SG				
Purpose Type:		Amount Due:	Payment Trigger Condition:	
Purpose Number: 1 - Highway improvement contribution Pedestrian and cycle improvements within the vicinity of the Land which may include toucan crossing and/or pedestrian and cycle improvements on the approached to Guildford Business Park within the area shown on the Map. Pedestrian and cycle improvements within the vicinity of the Land which may include toucan crossing and/or pedestrian and cycle improvements on the approached to Guildford Business Park within the area shown on the Map.		£67,500.00	On commencement	
		£67,500.00	Prior to Completion of Development	
Purpose Number: 2 - Highway improvement contribution RTPI Contribution.		£10,000.00	On commencement	
Purpose Number: 3 - Travel Plan (SCC) For the purposes of monitoring and auditing the travel plan.		£6,150.00	1st Occupation	

Total:	£151,150.00
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Records: Pending Funds

Onslow

Obligations with Funds Pending (contributions due to be paid)

21/P/00817 P: Onslow W: Onslow Section 106 Signed Agreement Date: 17/03/2022
 Royal Surrey County Hospital, Egerton Road, Guildford, GU2 7XX

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Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Highway improvement contribution A3 Improvement Works Contribution.	£4,000.00	Prior to Implementation
Purpose Number: 2 - Highway improvement contribution Public Highway Improvement Works - Towards improvement works to the public highway within the vicinity of the site.	£100,000.00	Prior to Implementation
Purpose Number: 3 - Travel Plan (SCC) Towards the future monitoring of the Master Travel Plan to be implemented in respect of the Development.	£6,150.00	Prior to Implementation

Total:	£110,150.00
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Send

Obligations with Funds Pending (contributions due to be paid)

Records: Pending Funds

Send

Obligations with Funds Pending (contributions due to be paid)

04/P/00576			P: Send	W: Send	Section 106 Signed Agreement Date: 27/03/2006
The Old Tannery Works, Tannery Lane, Send, Woking, Surrey, GU23					
Purpose Type:	Amount Due:	Payment Trigger Condition:			
Purpose Number: 1 - Environmental Policy & Design Towards environmental improvements in the vicinity of the property.	£63,000.00	Prior to occu. of 50% private resi			
Purpose Number: 2 - Art Towards the completion and installation of the work or works of art within the site or fabric of the Development, reflecting the previous use and occupation of the property or some other theme within the property.	£40,000.00	Prior to occu. of 50% private resi			
Purpose Number: 3 - Recreational open space contribution May be utilised on ongoing maintenance of the ecological area to be transferred to the Council together with seating, signposts and other matters of and incidental to such area.	£75,372.00	Prior to occu. of 50% private resi			
Purpose Number: 4 - Environmental Policy & Design Landscaping tree/vegetation works on the footpaths in the vicinity	£1,500.00	Prior to occu. of 50% private resi			
Purpose Number: 5 - Environmental Policy & Design Horse riding and mounting blocks for crossings	£1,500.00	Prior to occu. of 50% private resi			
Purpose Number: 6 - Environmental Policy & Design Improvements of and the making up of the footway link from development to Send Village	£13,125.00	Prior to occu. of 50% private resi			
Total:		£194,497.00			

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Records: Pending Funds

Send

Obligations with Funds Pending (contributions due to be paid)

13/P/02183 P: Send W: Send Section 106 Signed Agreement Date: 11/07/2014
 Vision Engineering Ltd, Send Road, Send, Woking, GU23 7ER

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Recreational open space contribution Towards a boardwalk at Heath Field Nature Reserve	£44,000.00	6 months after comm of residential
Purpose Number: 2 - Primary education contribution (SCC) Towards primary school provision within 3 miles of the Land.	£75,366.72	6 months after comm of residential
Purpose Number: 3 - Surrey CC Other Libraries Contribution - towards the library service within the Borough.	£4,763.76	6 months after comm of residential
Purpose Number: 4 - Secondary education contribution (SCC) Towards secondary school provision within 5 miles of the Land.	£73,638.60	6 months of comm of residential

Total: £197,769.08

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Appendix 1

Records: Pending Funds

Send

Obligations with Funds Pending (contributions due to be paid)

19/P/02191		P: Send	W: Send	Section 106 Signed Agreement Date: 26/04/2021
Oldlands, Burnt Common Lane, Ripley, Woking, GU23 6HD				
Purpose Type:	Amount Due:	Payment Trigger Condition:		
Purpose Number: 1 - Highway improvement contribution for implementation of 2 bus shelters and their foundations within the vicinity of the Development	£28,000.00	Prior to Occupation		
Purpose Number: 2 - Early Education (SCC) towards the provision of early years education infrastructure in the Send and Ripley area	£20,192.00	Prior to Occupation		
Purpose Number: 3 - Primary education contribution (SCC) toward a one form of entry additional primary school provision within the vicinity of the Development	£95,684.00	Prior to Occupation		
Purpose Number: 4 - Secondary education contribution (SCC) to expand Hoe Valley School by one form of entry	£100,736.00	Prior to Occupation		
Purpose Number: 5 - Recreational open space contribution Play Space Contribution - towards the provision/enhancement of play space.	£36,528.10	Prior to Occupation		
Purpose Number: 6 - Recreational open space contribution Sports Ground Contribution - towards the provision/enhancement of playing fields.	£44,888.52	Prior to Occupation		
Total:		£326,028.62		

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Records: Pending Funds

Send

Obligations with Funds Pending (contributions due to be paid)

19/P/02223 P: Send W: Send Section 106 Signed Agreement Date: 27/05/2022
 Land at Garlicks Arch, Send Marsh/Burnt Common, Portsmouth Road, Send

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Early Education (SCC) Phase 1 Early Education towards additional early years places at one or more of the following schools; Send Church of England Primary School, the Raleigh School or the Clandon Church of England School.	£148,071.00	Prior to Occupation - Phase 1 (Payable to SCC)
Purpose Number: 2 - Primary education contribution (SCC) Phase 1 Primary Education towards additional places at 1 (one) or more of the primary schools within a 3 (three) mile radius of the Site.	£699,853.00	Prior to Occupation of the 200th Resi Units Phase 1 (Payable to SCC)
Purpose Number: 3 - Secondary education contribution (SCC) Phase 1 Secondary Education towards additional places at 1 (one) or more of the secondary schools within a 5 (five) mile radius of the Site.	£744,453.00	Prior to Occupation of the 200th Resi Units Phase 1 (Payable to SCC)
Purpose Number: 4 - Other contribution Ripley Village Hall Contribution - towards the redevelopment of the new Ripley Village Hall.	£600,000.00	Prior to completion of 185th Resi unit
Purpose Number: 5 - Other contribution Send Pavilion Contribution - towards the provision of a new pavilion at Send Recreation Ground. Send Pavilion Contribution - towards the provision of a new pavilion at Send Recreation Ground.	£150,000.00 £150,000.00	50% Prior to occupation 200th resi unit 50% Prior to occupation 400th resi unit

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Records: Pending Funds

Send

Obligations with Funds Pending (contributions due to be paid)

<p>Purpose Number: 6 - Other contribution Send Village Improvements Contribution - towards environmental improvements to the Send village centre which improve the physical environment and enhance the experience of Send village and are required to mitigate any impacts resulting from the Development including (but not limited to) the provision of additional public car parking in the village centre. Send Village Improvements Contribution - towards environmental improvements to the Send village centre which improve the physical environment and enhance the experience of Send village and are required to mitigate any impacts resulting from the Development including (but not limited to) the provision of additional public car parking in the village centre.</p>	<p>£75,000.00 £75,000.00</p>	<p>50% Prior to occupation 200th resi unit 50% Prior to occupation 400th resi unit</p>
<p>Purpose Number: 7 - Healthcare Phase 1 Healthcare (CCG) towards delivery of clinical space in Guildford and Weybridge.</p>	<p>£200,401.25</p>	<p>Prior to completion of 220th resi unit Phase 1</p>
<p>Purpose Number: 8 - Police Police Accommodation Contribution - to be used by the Borough Council towards accommodation for additional police officers and support staff.</p>	<p>£55,789.17</p>	<p>Prior to Occupation of 100th resi unit</p>
<p>Purpose Number: 9 - Police Police Officer Contribution - towards training and equipping 2 (two) additional police officers. Police Officer Contribution - towards training and equipping 2 (two) additional police officers.</p>	<p>£9,767.00 £9,767.00</p>	<p>Prior to occupation of 100th resi unit - 50% Prior to occupation of 300th resi unit - 50%</p>
<p>Purpose Number: 10 - Police Police Officer Contribution - towards 1 (one) additional divisional officer. Police Officer Contribution - towards 1 (one) additional divisional officer.</p>	<p>£913.24 £913.25</p>	<p>Prior to occupation of 100th resi unit - 50% Prior to occupation of 300th resi unit - 50%</p>
<p>Purpose Number: 11 - Police Police Support Staff Contribution - towards 1 (one) additional police support staff member.</p>	<p>£3,146.00</p>	<p>Prior to occupation of 300th resi unit</p>

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Appendix 1

Records: Pending Funds

Send

Obligations with Funds Pending (contributions due to be paid)

Purpose Number: 12 - Police Police Support Staff Contribution - towards 1 (one) additional divisional support staff member.	£2,563.99	Prior to occupation of 300th resi unit
Purpose Number: 13 - Police Police Vehicle Contribution - towards 1 (one) additional police vehicle.	£17,000.00	Prior to occupation of 300th resi unit
Purpose Number: 14 - Police Police Vehicle Contribution - towards a replacement police vehicle.	£1,675.28	Prior to occupation of 300th resi unit
Purpose Number: 15 - Highway improvement contribution Bus Route Upgrade Contribution (Payable to SCC) - towards the provision of passenger transport improvements in the vicinity of the site. Bus Route Upgrade Contribution (Payable to SCC) - towards the provision of passenger transport improvements in the vicinity of the site. Bus Route Upgrade Contribution (Payable to SCC) - towards the provision of passenger transport improvements in the vicinity of the site. Bus Route Upgrade Contribution (Payable to SCC) - towards the provision of passenger transport improvements in the vicinity of the site. Bus Route Upgrade Contribution (Payable to SCC) - towards the provision of passenger transport improvements in the vicinity of the site. Bus Route Upgrade Contribution (Payable to SCC) - towards the provision of passenger transport improvements in the vicinity of the site.	£143,333.00 £143,333.00 £143,333.00 £143,333.00 £143,333.00 £57,333.35	Prior to occupation of Phase 1 1st Anniversary of 1st payment 2nd Anniversary of 1st payment 3rd Anniversary of 1st payment 4th Anniversary of 1st payment 5th Anniversary of 1st payment - Final Instalment If PP for Burnt Common Nursery Development has been granted
Purpose Number: 16 - Highway improvement contribution Bus Shelter Contribution (Payable to SCC) - towards the provision of two bus stops and associated footway work at Clandon Station.	£41,000.00	Prior to Occupation (Payable to SCC)

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Records: Pending Funds

Send

Obligations with Funds Pending (contributions due to be paid)

<p>Purpose Number: 17 - Other contribution West Clandon Village Improvements Contribution - towards environmental improvements to the West Clandon parish which improve the physical environment and enhance the experience of West Clandon parish and are required to mitigate any impacts resulting from traffic from the Development. West Clandon Village Improvements Contribution - towards environmental improvements to the West Clandon parish which improve the physical environment and enhance the experience of West Clandon parish and are required to mitigate any impacts resulting from traffic from the Development.</p>	<p>£250,000.00 £250,000.00</p>	<p>Prior to occupation of 200th resi unit - 50% Prior to occupation of 400th resi unit - 50%</p>
<p>Purpose Number: 18 - Highway improvement contribution Cycle Storage Contribution (Payable to SCC) - towards the provision of 12 (twelve) cycle storage bays at Clandon Station.</p>	<p>£24,000.00</p>	<p>Prior to Occupation of 100th resi unit (Payable to SCC)</p>
<p>Purpose Number: 19 - Highway improvement contribution Footpath Contribution (Payable to SCC) - towards upgrading the surface of footpath 568 that runs parallel to the A247 to the south of the A3.</p>	<p>£60,000.00</p>	<p>Prior to Occupation of 50th resi unit (Payable to SCC)</p>
<p>Purpose Number: 20 - Travel Plan (SCC) Travel Plan Fee (Payable to SCC) to be used towards the monitoring of the Travel Plan to be implemented in respect of the Development</p>	<p>£6,150.00</p>	<p>Prior to Occupation (Payable to SCC)</p>

Total:	£4,349,461.53
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Appendix 1

Records: Pending Funds

Send

Obligations with Funds Pending (contributions due to be paid)

20/P/00816 P: Send W: Send Section 106 Signed Agreement Date: 09/06/2022
 Burnt Common Nurseries, London Road, Send, Woking, GU23 7LN

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Highway improvement contribution Public Transport Service Improvements Contribution (Payable to SCC) to cover the cost of improvements to public transport serving and required by the Development. Public Transport Service Improvements Contribution (Payable to SCC) to cover the cost of improvements to public transport serving and required by the Development. Public Transport Service Improvements Contribution (Payable to SCC) to cover the cost of improvements to public transport serving and required by the Development. Public Transport Service Improvements Contribution (Payable to SCC) to cover the cost of improvements to public transport serving and required by the Development. Public Transport Service Improvements Contribution (Payable to SCC) to cover the cost of improvements to public transport serving and required by the Development.	£17,200.00 £17,200.00 £17,200.00 £17,200.00 £17,200.00	On Commencement (directly to SCC) On first anniversary of first payment (directly to SCC) On first anniversary of second payment (directly to SCC) On first anniversary of third payment (directly to SCC) On first anniversary of fourth payment (directly to SCC)
Purpose Number: 2 - Highway improvement contribution Road Traffic Order RTO Contribution (Payable to SCC) to cover the cost of a Road Traffic Order and other provisions to effect the reduction in the speed limit on London Road from 70mph to 50mph required by the Development.	£20,000.00	On Commencement (directly to SCC)
Purpose Number: 3 - Travel Plan (SCC)	£4,600.00	Prior to Occupation (directly to SCC)

Total:	£110,600.00
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Records: Pending Funds

Send

Obligations with Funds Pending (contributions due to be paid)

20/P/01216

P: Send

W: Send

Section 106 Signed Agreement Date: 30/04/2021

Land off, Field Way, Send, Woking, GU23 6HJ

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Highway improvement contribution Footpath Contribution - towards the costs of upgrading footpath 603 to a sealed surface.	£10,000.00	Prior to occupation
Purpose Number: 2 - Highway improvement contribution Cycle Track Contribution - towards the dedicated cycle track.	£3,000.00	Prior to occupation

Total:	£13,000.00
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Shalford

Obligations with Funds Pending (contributions due to be paid)

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Records: Pending Funds

Shalford

Obligations with Funds Pending (contributions due to be paid)

17/P/00801 P: Artington W: Shalford Section 106 Signed Agreement Date: 05/06/2018
 Treetops, Old Portsmouth Road, Artington, Guildford, GU3 1LN

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Highway improvement contribution Public Rights of Way Contribution - Towards the cost of surfacing that part of Public Footpath 273 Artington from Old Portsmouth Road to the River Wey (Payable directly to SCC).	£16,000.00	On Commencement (Payable directly to SCC)
Purpose Number: 2 - Highway improvement contribution Road Traffic Reg Order Contribution - Towards the cost of promoting and implementing a road traffic regulation order to extend the existing 30mph speed limit along Old Portsmouth Road northbound/southbound to the Eastern Bus Stop (Payable directly to SCC).	£8,000.00	On Commencement (Payable directly to SCC)
Purpose Number: 3 - Primary education contribution (SCC) Towards a project at St Josephs Catholic Primary school to provide a new classroom block (Payable directly to SCC).	£116,139.00	On Commencement (Payable directly to SCC)
Purpose Number: 4 - Secondary education contribution (SCC) Towards a project at St Peters Catholic School to provide new art classrooms (Payable directly to SCC).	£118,732.00	On Commencement (Payable directly to SCC)
Purpose Number: 5 - Early Education (SCC) Towards a project at Childs Play Preschool in refurbish the Preschool and to develop the outside area so as to improve access to the Preschool (Payable directly to SCC).	£26,249.00	On Commencement (Payable directly to SCC)

Total:	£285,120.00
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Records: Pending Funds

Tillingbourne

Obligations with Funds Pending (contributions due to be paid)

21/P/01480 P: Shere W: Tillingbourne Section 106 Signed Agreement Date: 24/05/2022
 Tillings Cafe, 55 Station Road, Gomshall, Guildford, GU5 9NP

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Early Education (SCC) Provision of additional early years places to serve the residents of the Development.	£10,096.00	Prior to Occupation
Purpose Number: 2 - Primary education contribution (SCC) Towards Primary Education infrastructure within the vicinity of the Land.	£29,417.00	Prior to Occupation
Purpose Number: 3 - Secondary education contribution (SCC) Towards the secondary education infrastructure within the vicinity of the Land.	£27,925.00	Prior to Occupation

Total: £67,438.00

Worplesdon

Obligations with Funds Pending (contributions due to be paid)

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Records: Pending Funds

Worplesdon

Obligations with Funds Pending (contributions due to be paid)

20/P/00924

P: Worplesdon

W: Worplesdon

Section 106 Signed Agreement Date: 14/09/2021

Land at, School Lane, Worplesdon, GU3

Purpose Type:	Amount Due:	Payment Trigger Condition:
Purpose Number: 1 - Early Education (SCC)	£8,077.00	On commencement
Purpose Number: 2 - Primary education contribution (SCC)	£32,810.00	On commencement
Purpose Number: 3 - Recreational open space contribution Parish Council Open Space Improvement Contribution - to be used for environmental improvements to the Perry Hill Green Open space need for which arises from the Development (to be spent by the Parish).	£5,800.00	On commencement
Total:		£46,687.00

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Summary: Spend History

Spend History

These are the contributions that have been spent in the last 12 months and summary details of project that they were spent on.

This is shown on a rolling 12 month basis, therefore it will always show 12 months from the date of the report.

Purpose Type:	Spend:
Other Contribution	£ 2,679,730.52
Secondary Education Contribution	£ 2,310,965.69
Primary Education (Payable to SCC) Towar	£ 819,827.93
Recreational Open Space Contribution	£ 518,944.44
Highways Improvement Contribution	£ 314,859.29
Early Years Education (Payable to SCC) -	£ 179,583.33
Towards the provision of Affordable Hous	£ 178,844.00
Environmental Improvement Contribution	£ 64,190.06
Surrey CC Other Contribution	£ 58,596.83
Travel Plan Contribution	£ 13,236.17
Towards the provision of equipment for S	£ 6,910.52
DMR Fee - To be paid to the Council on a	£ 1,594.33
Total:	£ 7,147,283.11

Records: Spend History

2023

Total for 2023: £4,471,223.44

April	Month Total: £14,110.65	
Application Details:	Project Details:	Spent:
19/P/01210 P: West Horsley W: Clandon & Horsley 20 The Street, West Horsley, Leatherhead, KT24 6AX	RTPI displays at bus stops on A246 (near Window Box Roundabout)	£14,110.65

March	Month Total: £4,393,991.69	
Application Details:	Project Details:	Spent:
04/P/00382 P: Holy Trinity W: Holy Trinity Pewsey Heights, Semaphore Road, Guildford, GU1 3PT	Foxenden Quarry Playground Improvements	£8,920.00
05/P/00717 P: Holy Trinity W: Holy Trinity 16, 17 & 18, Queens Road, Guildford, GU1	Foxenden Quarry Playground Improvements	£22,800.00
06/P/01980 P: Friary & St. Nicolas W: Friary & St. Nicolas 61-68a, Woodbridge Road, Guildford, Surrey, GU1	CCTV, Woodbridge Road	£22,431.76
08/P/00064 P: Holy Trinity W: Holy Trinity Alexandra House, Alexandra Terrace, Guildford, GU1 3DA	Foxenden Quarry Playground Improvements	£8,527.92
08/P/00066 P: Holy Trinity W: Holy Trinity The Guildford Hotel, 253 High Street, Guildford, GU1 3JG	Foxenden Quarry Playground Improvements	£628.75
10/P/01474 P: Ash W: Ash Vale Former Tyre and Exhaust Depot, Lysons Avenue, Ash Vale, Aldershot, GU12 5QF	Lysons Avenue CCTV	£5,866.76

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Records: Spend History

2023

Total for 2023: £4,471,223.44

March		Month Total:	£4,393,991.69
Application Details:	Project Details:	Spent:	
13/P/00717 P: Ash W: Ash South & Tongham The Croft, Foreman Road, Ash, Guildford, GU12 6HD	Ash Surface Water Management Plan Study	£24,975.00	
13/P/01187 P: Burpham W: Burpham 228 London Road, land rear of 230 London Road and rear of 5, 7 & 9 New Inn Lane, Guildford, GU4 7HR	Dedicated tennis court on existing all weather courts, Sutherland Memorial Park	£11,661.25	
17/P/02158 P: Ash W: Ash South & Tongham Land north of, Grange Road, Ash, GU12	Ash Road Bridge	£319,887.76	
17/P/02158 P: Ash W: Ash South & Tongham Land north of, Grange Road, Ash, GU12	Ash Road Bridge	£323,465.45	
17/P/02592 P: Ash W: Ash South & Tongham Land south of, Ash Lodge Drive, Ash, Guildford	Ash Road Bridge	£40,290.91	
17/P/02592 P: Ash W: Ash South & Tongham Land south of, Ash Lodge Drive, Ash, Guildford	Ash Road Bridge	£419,631.71	
18/P/01950 P: Ash W: Ash South & Tongham Land to East of White Lane and West of Chestnut Lodge, Drovers Way, Ash Green, Guildford, GU12 6HY	Ash Road Bridge	£315,205.48	
20/P/01102 P: Tongham W: Ash South & Tongham Land at, Poyle Road, Tongham	Ash Road Bridge	£406,938.36	
20/P/01460 P: Friary & St. Nicolas W: Friary & St. Nicolas Just Tyres, Walnut Tree Close, Guildford, GU1 4TX	Sustainable Movement Corridor	£33,401.24	

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Records: Spend History

2023

Total for 2023: £4,471,223.44

March		Month Total:	£4,393,991.69
Application Details:	Project Details:	Spent:	
21/P/01811 P: Friary & St. Nicolas W: Friary & St. Nicolas Guildford Plaza (former Burymead House), Portsmouth Road, Guildford, GU2 4DH	Costs of Monitoring the performance of the Affordable Housing obligations and the auditing of the Letting Information submitted	£1,594.34	
21/P/02246 P: Effingham W: Effingham Orchard Walls, Beech Avenue, Effingham, Leatherhead, KT24 5PG	Affordable Housing	£178,844.00	
21/P/02296 P: Onslow W: Onslow 1 & 2 Ash Grove, Guildford, GU2 8UT	Sustainable Movement Corridor	£87,721.52	

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January		Month Total:	£63,121.10
Application Details:	Project Details:	Spent:	
07/P/01767 P: Christchurch W: Christchurch Former DEFRA site, Epsom Road, Guildford, Surrey, GU1	Boxgrove Road, part of Traffic Calming Scheme (SCC)	£63,121.10	

Records: Spend History

2022

Total for 2022: £4,313,125.39

December		Month Total:	£1,886,724.09
Application Details:	Project Details:	Spent:	
16/P/00222 P: Tongham W: Ash South & Tongham Land at Manor Farm, The Street, Tongham, GU10 1DG	Tongham Day Care/Challengers Farnham (Paid Directly to SCC)	£179,583.33	
16/P/00222 P: Tongham W: Ash South & Tongham Land at Manor Farm, The Street, Tongham, GU10 1DG	Improvements to create additional pupil capacity at Ash Grange Primary School (Paid Directly to SCC)	£819,827.93	
16/P/00222 P: Tongham W: Ash South & Tongham Land at Manor Farm, The Street, Tongham, GU10 1DG	Improvements to create additional pupil capacity at Farnham Heath End School (Paid Directly to SCC)	£873,941.90	
16/P/00222 P: Tongham W: Ash South & Tongham Land at Manor Farm, The Street, Tongham, GU10 1DG	Auditing Travel Plan (Paid directly to SCC)	£6,460.41	
17/P/02592 P: Ash W: Ash South & Tongham Land south of, Ash Lodge Drive, Ash, Guildford	ANPR Camera, Manor Road	£6,910.52	

Records: Spend History

2022

Total for 2022: £4,313,125.39

November		Month Total:	£359,057.66
Application Details:	Project Details:	Spent:	
13/P/01829 P: Friary & St. Nicolas W: Friary & St. Nicolas 170 Walnut Tree Close, Guildford, GU1 4UB	Walnut Tree Close Scheme (Part of Town Centre Master Plan)	£25,312.87	
14/P/00253 P: Friary & St. Nicolas W: Friary & St. Nicolas Unigate Dairy, Walnut Tree Close, Guildford, GU1 4TP	Walnut Tree Close Scheme (Part of Town Centre Master Plan)	£10,031.21	
16/P/00752 P: Friary & St. Nicolas W: Friary & St. Nicolas Wey Corner, Walnut Tree Close, Guildford, GU1 4TT	Walnut Tree Close Scheme (Part of Town Centre Master Plan)	£5,071.56	
18/P/02100 P: Friary & St. Nicolas W: Friary & St. Nicolas Just Tyres, Walnut Tree Close, Guildford, GU1 4TX	Walnut Tree Close Scheme (Part of Town Centre Master Plan)	£15,000.00	
18/P/02226 P: Friary & St. Nicolas W: Friary & St. Nicolas Bishops Nissan of Guildford, Walnut Tree Close, Guildford, GU1 1TX	Walnut Tree Close Scheme (Part of Town Centre Master Plan)	£29,500.00	
20/P/01291 P: Shalford W: Shalford Ashley House, Christmas Hill, Shalford, Guildford, GU4 8HN	A248 Christmas Hill speed limit extension & crossing facility	£47,398.03	
10/P/01578 P: Pirbright W: Pirbright Old Forge, The Green, Pirbright, Woking, GU24 0JT	Concrete area for new picnic bench on Village Hall green. Pirbright PC	£381.46	
18/P/01014 P: Worplesdon W: Worplesdon Land North of Keens Lane and, Tangley Lane, Guildford	Creation of fitness suite and associated facilities, Kings College	£98,734.46	

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Records: Spend History

2022

Total for 2022: £4,313,125.39

October		Month Total:	£398,400.77
Application Details:	Project Details:	Spent:	
20/P/00728 P: Friary & St. Nicolas W: Friary & St. Nicolas Ladymead Retail Park, Europa Park Road, Guildford, GU1 1AJ	Travel Plan Monitoring	£6,775.76	
20/P/00728 P: Friary & St. Nicolas W: Friary & St. Nicolas Ladymead Retail Park, Europa Park Road, Guildford, GU1 1AJ	Pedestrian and Cycle Improvements along Ladymead	£165,262.48	
18/P/01014 P: Worplesdon W: Worplesdon Land North of Keens Lane and, Tangle Lane, Guildford	Creation of fitness suite and associated facilities, Kings College	£127,628.07	

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September		Month Total:	£33,283.96
Application Details:	Project Details:	Spent:	
13/P/01829 P: Friary & St. Nicolas W: Friary & St. Nicolas 170 Walnut Tree Close, Guildford, GU1 4UB	Improvements at Guildford Library, new furniture, new interactive IT equipment, additional electrical equipment/components and upgrading of the childrens library and new shelving and display equipment.	£9,345.51	
17/P/02592 P: Ash W: Ash South & Tongham Land south of, Ash Lodge Drive, Ash, Guildford	New and interactive IT equipment at Ash Library	£23,938.44	

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Records: Spend History

2022

Total for 2022: £4,313,125.39

July		Month Total:	£1,634,589.95
Application Details:	Project Details:	Spent:	
19/P/01313 P: Friary & St. Nicolas W: Friary & St. Nicolas 11 Annandale Road, Guildford, GU2 4LR	Resurfacing Annandale Road	£17,188.36	
03/P/02597 P: Friary & St. Nicolas W: Friary & St. Nicolas Former Daewoo Car Showrooms, Woodbridge Meadows, Guildford, GU1	Onslow Park and Ride	£50.00	
17/P/00529 P: Tongham W: Ash South & Tongham Land adjacent to The Granary, Grange Road, Tongham, GU10 1DJ	Ash Manor School, new build incorporating PAC, specialist music and drama spaces, 2 science labs, increase WCs and changing rooms.	£83,650.50	
17/P/00529 P: Tongham W: Ash South & Tongham Land adjacent to The Granary, Grange Road, Tongham, GU10 1DJ	Ash Manor School, new build incorporating PAC, specialist music and drama spaces, 2 science labs, increase WCs and changing rooms.	£85,430.30	
17/P/02158 P: Ash W: Ash South & Tongham Land north of, Grange Road, Ash, GU12	Ash Manor School, new build incorporating PAC, specialist music and drama spaces, 2 science labs, increase WCs and changing rooms.	£146,233.49	
17/P/02592 P: Ash W: Ash South & Tongham Land south of, Ash Lodge Drive, Ash, Guildford	Ash Manor School, new build incorporating PAC, specialist music and drama spaces, 2 science labs, increase WCs and changing rooms.	£1,072,065.50	
18/P/00475 P: Ash W: Ash South & Tongham Courier House, Aldershot Road, Ash, Guildford, GU12 6PD	Ash Manor School, new build incorporating PAC, specialist music and drama spaces, 2 science labs, increase WCs and changing rooms.	£49,644.00	

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Records: Spend History

2022

Total for 2022: £4,313,125.39

May

Month Total: £1,068.96

Application Details:

Project Details:

Spent:

19/P/01210 P: West Horsley W: Clandon & Horsley
20 The Street, West Horsley, Leatherhead, KT24 6AX

Two new bins, West Horsley PC

£1,068.96

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Guildford Borough Council

Report to: Corporate Governance Standards Committee

Date: 27 July 2023

Ward(s) affected: All Wards

Report of Director: Executive Head of Planning Development

Author: Claire Upton-Brown

Tel: 01483 444316

Email: claire.upton-brown@guildford.gov.uk

Lead Councillor responsible: George Potter

Tel: 07411 005115

Email: george.potter@guildford.gov.uk

Report Status: Open

Planning appeals monitoring report

1. Executive Summary

1.1 A report entitled 'Planning Appeals Monitoring Report' was reported to the Corporate Governance and Standards Committee on 16 June 2022. The contents and conclusions were noted, and it was agreed that future monitoring reports be presented annually, to see if any patterns are emerging in respect of member overturns, costs of overturn appeals and costs awards. In addition, this updated report seeks to identify targeted training for members of the Planning Committee and its substitutes. This report is thirteen months after the previous report and provides an update.

1.2 A detailed report on planning appeals including details of cost applications is reported to every Planning Committee. The information contained in this report has been taken from the information contained on previous Planning Committee agendas. There is also a detailed training programme that has been developed

and will be rolled out shortly, this will provide a monthly training session for officers and members with a different topic each month.

2. Recommendation to Committee

- 2.1 That the Committee notes the contents of the revised report and data.

3. Reason for Recommendation:

- 3.1. To enable the Committee to monitor the Council's performance on planning appeals.

4. Exemption from publication

- 4.1 No

5. Purpose of Report

- 5.1 The purpose of this report is to update and review the position regarding appeals. The previous report was considered by the Committee on 22 June 2022. This report will focus on the data relating to 2021-2023, the last report looked at data back to 2019. The Committee is referred to the previous report which was considered by Members in June 2022.

6. Strategic Priorities

- 6.1 All the strategic priorities have some relevance to this topic; however, the most relevant relates to value for residents in decision making as matters that subsequently end up at appeal can attract costs either for or against the Council and also are very demanding.

7. Background

- 7.1 Earlier reports identified that future updates would focus on appeal results over a rolling two-year period to ensure information is concise and relevant.

Year	Number of Committee Meetings	Number of applications processed	Number of councillor overturns	Number appealed	Overturns allowed	Overturns dismissed
2018	13	72	11	8	6	2
2019	13	73	15	11	7	3 (1 unknown)
2020	13	55	10	8	3	3
2021	15	57	15	12	2 (to date)	4
2022	11	37	5	3	2	1
2023*	12	33	6	2	0	0

* Part Year

7.2 The report to this Committee in June 2022 sets out the data relating to the decision making by the Planning Committee dating back to 2019. This report will not repeat this historical information.

2021

7.3 Eight appeals were lodged against decisions which were overturned at Planning Committee. Decision have been received in respect of six appeals - of those, three have been dismissed, two allowed and one withdrawn. Two decisions are pending. Of the decisions received, this represents a percentage of 50% dismissed, 33% allowed. It is noted that two decisions are pending and four applications where there was no appeal against the decision. This could therefore significantly change the overall picture. The 2021 overall appeal decisions as a comparison:

- Appeals determined: 53
- Appeals allowed: 16
- Appeals dismissed: 33
- Appeals withdrawn: 2
- Mixed decision: 2
- Percentage of total appeals dismissed: 63%

2022 Committee overturns table for 6 months (June to December)

Application number	Site address	Officer recommendation	Committee decision	Appeal decision	Cost Sought	Cost Awarded
21/P/01683	High Brambles East Horsley	A	R	Allowed	No	No
21/P/00428	Howard of Effingham	A	R	Allowed	Y	Awaiting decision
20/P/01057	White Horse Yard Ripley	A	R	No	No	No
22/P/00203	Laurel Bank Cottage Seale	A	R	No	No	No

The overall appeal performance for decisions received in 2022 is as follows:

- Appeals Determined 90
- Appeals allowed 36
- Appeals dismissed 52
- Mixed Decision 1
- Withdrawn 1
- Percentage dismissed 58%

Cost applications

- 4 costs applications refused
- 2 costs applications allowed
- 1 partial award of costs

2023 Committee overturns table

Application number	Site address	Officer recommendation	Committee decision	Appeal decision	Cost sought	Cost award
22/P/01151	Pit Farm Guildford	A	R	No appeal	No	No

Application number	Site address	Officer recommendation	Committee decision	Appeal decision	Cost sought	Cost award
22/P/01831	New Road Chilworth	A	R	No appeal	No	No
22/P/01845	Abbotswood East Horsley	A	R	No appeal	No	No
22/P/00977	Streamside Ash	A	R	No appeal	No	No
22/P/01336	North Street Guildford	A	R	Appeal lodged	No	No

The overall appeal performance for decisions received in 2023 is as follows:

- Appeals Determined 94
- Appeals allowed 22
- Appeals dismissed 69
- Withdrawn 3
- Percentage dismissed 73%

Cost applications

- 4 costs applications refused

7.4 Overall whilst there have been more appeals over the past two years, the success rate year on year is improving. Success rate in defending applications for costs has also improved year on year. It should be noted that whilst a decision has been made on both appeals relating to the Howard of Effingham appeal referred to above, the Council is yet to receive a decision on the costs application.

7.5 It should be noted that there are now two complex appeals that are 'live' appeals. Officers are preparing for the Wisley appeal against non-determination with an Inquiry starting in late September and closing in late November (with 24 days sitting). The level of resource required to support this Inquiry and its impact on delivering other parts of the Service cannot be underestimated.

7.6 The North Street appeal has now been lodged and a provisional date for a 6-day Inquiry has been set for the beginning of December. Officers will be running this appeal in parallel with the new application relating to this site. A report was considered by the Executive on 22 June 2023 ‘Supplementary Estimate for funds in respect of potential appeal against Member overturned item and appeal against non-determination’ which gave a budget estimate of £350,000. The Planning Committee will be kept updated on this appeal.

Quality of Decisions by DLUCH

7.7 Government performance measures for planning include both speed of decision and quality of decision. Quality is measured by the percentage of appeal decisions that are overturned i.e. where the appeal is allowed. This performance is measured over a 2-year rolling programme with figures published periodically. The last figures were published in June 2023 covering the period January 2020 to December 2021. Guildford’s figures are set out below:

Total decisions	Non-Major appeals	Overturn % at appeal	Quality of decisions (% overturned at appeal)
3,007	137	38	1.3%

Non-Major applications

Total decisions	Major appeals	Overturn % at appeal	Quality of decisions (% overturned at appeal)
3003	Not recorded	36	1.2%

7.8 Whilst the returns suggests that there is not an issue with the quality of decision it needs to be acknowledged that these figures do not cover more recent decisions. Internal reports are run which currently suggest that the real time figure is nearer 7.5%. As appeal decisions are issued by PINS as and when they are made, there is significant

time lag between the refusal of planning permission, lodging appeals and the final decision from PINS (this could be up to two years). This will continue to be closely monitored acknowledging that figures can change from day to day.

8. Key Risks

8.1 The key risks in this area of planning work are:

- Reputational; should we lose a significant number of appeals and have costs regularly awarded against us
- Failure to meet government targets and falling below the government rolling 'two year' threshold for appeal outcomes will raise the issue of Designation on the grounds of quality.
- In addition to reputational risk associated here there is additional risk that failure to meet these standards could result in Government intervention to remove decision making powers to the planning inspectorate
- Refusal of appropriate housing development may impact on our supply; which may in turn challenge the Council's ability to maintain a 5-year housing land supply and force the Council back into a 'tilted balance' situation. This could lead to the Council being vulnerable to speculative development.
- Financial; particularly in the current climate, this is discussed in Section 9.

9. Financial Implications

9.1 The financial implications can, of course, be significant when it comes to planning appeals. The main costs are in defending decisions at appeal. These are demonstrably expensive if we have to put together an external team to defend the Council's decision making and is often the case when dealing with member overturns from Planning Committee. It is also noted that the budget provision for appeals is relatively low, analysis of this shows that this budget has been

exceeded regularly and therefore it should be examined whether this budget is set at the appropriate level.

- 9.2 The other area to highlight is award of costs both for and against the Council in appeal situations. These can be associated with all types of appeals and can be significant in amounts sought and settled. The most significant costs are normally attributed to either Hearings or Public Inquiries. As a Council we do not budget for appeals, so any defence or award of costs is an overspend. It is difficult to project budgeting for appeal spending as it is an unknown factor at the start of the year. Budgeting for 'poor decision making' would not be desirable; however, there should be further consideration of actual costs in this area. Appeals are a statutory right and Council should defend robust decisions appropriately.

10. Legal Implications

- 10.1 There are no direct legal implications associated with the report. However, appeals carry significant legal implications. We work closely with the Legal Team in appeal situations and particularly in respect of instruction of barristers when undertaking Public Inquiries and sometimes Hearings. The legal team also provide instructions to costs draftsman in the event that costs sought by appellants are seen as unreasonably high. It should also be noted that planning decisions are also subject to legal proceedings (judicial reviews).

11. Human Resource Implications

- 11.1 No HR implications apply for this report and no specific comments from the head of HR when assessing this report. It is worth noting there are implications to workloads for officers and delays to other work. This can become an issue at times of high workloads such as we are currently experiencing.

12. Equality and Diversity Implications

- 12.1 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.

13. Climate Change/Sustainability Implications

13.1 No climate change implications directly apply to the appeals data and costs data.

14. Conclusion

14.1 The data has not presented a particularly clear picture on the trend of appeal decisions. Delays in receiving appeal decisions remain significant.

14.2 Given the date of appeal decisions officers suggest that the most appropriate way for the Council to continue to have oversight of the quality of decision making and specifically the quality of decision making for the Planning Committee would be for there to be a review of the reporting to Planning Committee.

15. Background Papers

None

16. Appendices

None

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Guildford Borough Council

Report to: Corporate Governance & Standards Committee

Date: 27 July 2023

Ward(s) affected: All

Report of Director: Transformation and Governance

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Report Status: Open

Review of Task Groups reporting to the Corporate Governance & Standards Committee

1. Executive Summary

- 1.1 Council Procedure Rule 24(v) requires the appointing body to review annually, the continuation of task groups appointed by them. Although the Councillor Development Steering Group was set up originally as an Executive working group, it was agreed in 2015 that the Steering Group would report on its work to this Committee. The Steering Group meets quarterly.
- 1.2 The Corporate Governance Task Group was established by the Committee in November 2019 to review a number of corporate governance related matters and has met on ten occasions in 2022-23.
- 1.3 This report asks the Committee to review the work carried out by the Steering Group and the Task Group over the past twelve months, and the work to be undertaken over the next twelve months. It is

recommended that the Councillor Development Steering Group should continue its important work and should continue to be representative of all political groups on the Council.

- 1.4 This report also asks the Committee to consider disbanding the Corporate Governance Task Group and to establish, jointly in conjunction with Waverley Borough Council's Standards and General Purposes Committee, a new Joint Constitutions Review Group (JCRG) with an overall objective of aligning key parts of the Councils' respective constitutions, where it is appropriate to do so.

2. Recommendations to Committee

- 2.1 That the Councillor Development Steering Group continues its work and that the numerical allocation of seats on the Steering Group to each political group shall be one member per group, and that each political group be invited to make an appropriate nomination for the 2023-24 municipal year.
- 2.2 That the Corporate Governance Task Group be disbanded.
- 2.3 That the Committee agrees to establish, jointly in conjunction with Waverley Borough Council's Standards and General Purposes Committee a new Joint Constitutions Review Group.
- 2.4 That the draft terms of reference of the Joint Constitutions Review Group, as set out in **Appendix 2** to this report, be approved.
- 2.5 That the Committee notes that the purpose of the Joint Constitutions Review Group will be to review the Guildford Borough Council Constitution, alongside the Waverley Borough Council Constitution, and to report back with their recommendations to both the Corporate Governance and Standards Committee at Guildford and the Standards and General Purposes Committee at Waverley. The Corporate Governance and Standards Committee will then have the opportunity to consider any recommendations from the Joint

Constitutions Review Group relating to this Council's Constitution and may make appropriate recommendations to the Council to approve any changes.

- 2.6 That the Committee appoints four councillors to the Joint Constitutions Review Group and notes that Waverley Borough Council's Standards and General Purposes Committee have also been invited to appoint four Councillors to the Group.
- 2.7 That, from among those councillors appointed, the Committee, appoints a co-chairman of the Joint Constitutions Review Group.

3. Reason(s) for Recommendation:

- 3.1 To comply with the requirement for this Committee to review the continuation of the task groups reporting to it, in accordance with Council Procedure Rule 24 (v).
- 3.2 To commence work on the review of Guildford Borough Council's Constitution, and to do so in collaboration with partners from Waverley Borough Council, with an overall objective of aligning key parts thereof, where it is appropriate to do so.

4. Exemption from publication

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

5. Purpose of Report

- 5.1 This report asks the Committee
 - (a) To review the work carried out by:
 - (i) the Councillor Development Steering Group over the past twelve months and the work it is likely to undertake over the next twelve months; and

- (ii) the Corporate Governance Task Group over the past twelve months.
- (b) To agree that the Councillor Development Steering Group should continue with its work and to agree its composition.
- (c) To consider replacing the Corporate Governance Task Group with a new Joint Constitutions Review Group, jointly in conjunction with Waverley Borough Council's Standards and General Purposes Committee and to make appointments to the Joint Constitutions Review Group.

6. Strategic Priorities

- 6.1 The work of councillor task groups should assist in the delivery of the Council's Corporate Plan priorities.

7. Background

- 7.1 Council Procedure Rule 24 (v) requires the Committee to review annually the continuation of those task groups for which it is responsible. The Councillor Development Steering Group and the Corporate Governance Task Group are such groups.

Operation of working groups/task groups

- 7.2 The Council agreed in December 2016, as part of a review of the Constitution, to include for the purposes of clarity and avoidance of doubt, information in Council Procedure Rules on the appointment, terms of reference, composition, and duration of:
 - working groups (appointed by the Leader, a lead councillor, or the Executive) and
 - task groups (appointed by Council, a committee, or an EAB),

including the appointment of working/task group chairmen and substitutes. The Steering Group is in effect a “task group” in this context, as will be the proposed Joint Constitutions Review Group.

- 7.3 Under Council Procedure Rule 24, this Committee may determine, amongst other things,
- the number of councillors on a task group,
 - whether the task group should be cross-party (officers strongly recommend that *all* political groups are represented on the Steering Group) and
 - whether to ask political group leaders to nominate councillors for membership of task groups or appoint those councillors itself. There is no requirement for councillors nominated to be members of the appointing committee.
- 7.4 The Committee agreed last year that, in respect of both the Steering Group and the Task Group, any appointed member may be substituted by any other member of their political group.
- 7.5 This report sets out in **Appendix 1**:
- (a) the current composition and respective terms of reference of the Steering Group and the Task Group; and
 - (b) a summary of general progress in respect of both groups, including work undertaken, goals achieved and work still to be carried out.
- 7.6 Clearly, the work of the Steering Group has been vital to ensure that the Councillor training and development programme continues to meet the needs of councillors and strives to maintain the standards required by the South East Employers Charter for Elected Member Development. Officers recommend that the Steering Group continues its work.
- 7.7 Similarly, the work of the Task Group has been very important for the purpose of addressing a number of corporate governance related

matters first identified in 2019, including reviewing key aspects of the Council's ethical standards framework and promoting greater openness and transparency. In that regard, the Task Group has achieved much of what it was established to do.

- 7.8 Following the commitment by both Guildford and Waverley to collaborate and the establishment of a Joint Management Team, with the prospect of further collaborative proposals coming forward, the benefits of aligning our governance processes within our respective Constitutions, where it is appropriate to do so, is becoming increasingly apparent.
- 7.9 Accordingly, the Committee is asked to agree that the Corporate Governance Task Group be replaced by a Joint Constitutions Review Group (JCRG) comprised of councillors nominated both by this Committee and Waverley's Standards and General Purposes Committee. The overarching role of the JCRG will be to examine, review, and report back initially to this Committee and Waverley's Standards & General Purposes Committee on any matter relating to the Constitutional arrangements of both councils. Each Council will then have the opportunity to debate, and decide upon, any changes to their own Constitution. It is anticipated that ultimately the two Constitutions will always differ in some respects to reflect the preferences of each Council, but that, in matters pertaining to officer accountabilities, they are likely to be the same.
- 7.10 The Committee is invited to consider and approve the draft terms of reference of the JCRG attached as **Appendix 2** to this report. At its meeting on 3 July, Waverley's Standards and General Purposes Committee (SGPC) considered the proposed establishment of the JCRG, including the draft terms of reference shown in **Appendix 2**. The SGPC agreed to establish the JCRG and adopted the terms of reference.
- 7.11 The Committee is also invited to appoint four Guildford Borough Councillors to the Review Group. Although the membership does not

need to be politically balanced, it is suggested that the four seats on the JCRG be allocated as follows:

- 2 x Liberal Democrats
- 1 x Conservative
- 1 x R4GV

Each of these political groups will be asked to submit nominations in accordance with the above allocation. Details of the nominees will be reported to the Committee at the meeting.

- 7.12 Appointments do not have to be made from the membership of the Corporate Governance and Standards Committee, but the agreement of any Councillor should be sought prior to their appointment by this Committee.

8. Equality and Diversity Implications

- 8.1 The groups are responsible for having due regard to the requirements of the Public Sector Equality Duty (Equality Act 2010) when making any policy recommendations.

9. Financial Implications

- 9.1 There are no financial implications arising from this report. Any proposals, projects, or suggestions from the groups with financial implications will either be contained within approved budgets or considered as part of the Service and Financial Planning cycle.

10. Legal Implications

- 10.1 There is no legal requirement to establish working groups or task groups, but most councils use them for purposes similar to ours. There is also no legal requirement for them to be politically balanced. As stated above, we have made provision for their operation in Council Procedure Rules.

11. Human Resource Implications

11.1 Currently, we are able to service both groups from within existing staffing resources in the Democratic Services team.

12. Summary of Options

12.1 In the light of the information provided in this report, the Committee (as the 'appointing body') is asked to agree that the Steering Group continues with its work and agree the numerical allocation of seats to each political group on the Steering Group. Officers are suggesting that this should continue to be on the basis of one member from each of the five political groups on the Council.

12.2 The Committee is also invited to consider formally disbanding the Corporate Governance Task Group and establishing, in conjunction with Waverley's Standards and General Purposes Committee, a new Joint Constitutions Review Group in accordance with the draft terms of reference attached as **Appendix 2**.

13. Background Papers

Guildford Borough Council Constitution

14. Appendices

Appendix 1: Table showing details of the Councillor Development Steering Group and Corporate Governance Task Group including work undertaken over the past 12 months, and work to be carried out during the year

Appendix 2: Draft Terms of Reference of the proposed Joint Constitutions Review Group

REVIEW OF THE TASK GROUPS REPORTING TO THE CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

1. Councillor Development Steering Group

Members (2022-23):

Cllr Pauline Searle (chair)

Cllr Colin Cross

Cllr Angela Gunning

Cllr Jo Randall

Cllr Catherine Young

Current Terms of Reference:

“To continue to support councillors in their ongoing development and training needs through a clear, structured Action Plan for councillor development that responds to the corporate priorities of the Council.”

Details of general progress over the past 12 months and work to be undertaken in the next 12 months:

Progress:

- The Steering Group has continued to lead on helping the Council meet the standard of the SE Charter for Elected Member Development.
- At each meeting, the steering group reviews:
 - the councillors’ training and development programme
 - evaluation forms completed after each training/seminar session and recommends changes to the organisation of future events where required
 - the councillors’ training and development budget.
- Promoted the ‘Becoming a Councillor’ session on 9 February 2023.
- Endorsed the induction programme for new councillors elected in May 2023.

Work to be undertaken:

- To review the feedback from councillors on the effectiveness of the induction programme

Agenda item number: 11

- To roll out the ^{Appendix 1} Personal Development Plans to all councillors for completion, the results of which will inform the development of the councillor training programme moving forward.
- To review and update the Councillor Development Policy Statement
- To oversee the process of seeking re-accreditation under the South East Charter for Elected Member Development in 2023
- To continue to develop the councillor training programme including identifying shared training and development opportunities with neighbouring councils

2. Corporate Governance Task Group

Members (2022-23):

Cllr Deborah Seabrook (chair)

Cllr Nigel Manning

Cllr Ramsey Nagaty

Cllr Will Salmon

Cllr James Walsh

Murray Litvak (co-opted independent member of the Corporate Governance & Standards Ctte)

Julia Osborn (co-opted parish member of the Corporate Governance & Standards Ctte)

Current Terms of Reference:

To examine, review, and report back initially to this Committee on the following matters:

- (a) the Councillors' Code of Conduct, including the policy on acceptance of gifts and hospitality by councillors;
- (b) the best practice recommendations of the Committee on Standards in Public Life contained within its Report on *Local Government Ethical Standards*
- (c) the Council's guidance on the use of social media by councillors;
- (d) the revised draft Protocol on Councillor/ Officer Relations
- (e) the effectiveness of internal communications between officers and councillors; and
- (f) proposals to promote transparency, and effective communications and reporting, including the Council's Communications Protocol.
- (g) review of anomalies in the Constitution
- (h) Any other matter within the terms of reference of the Corporate Governance and Standards Committee and which the Task Group considers should be addressed.

Details of general progress over the past 12 months

Progress:

The Task Group has already considered and made recommendations in respect of many of the items listed above in the current terms of reference. However, since June 2022, the Task Group has undertaken the following work:

- Reviewed and finalised the Protocol for Commercial Presentations to Councillors. The Task Group's recommendations were considered by this Committee on 29 July 2022. The Committee endorsed the draft Protocol and agreed that it should be included as an annex to the Probity in Planning Handbook for approval by Council.
- Reviewed the Probity in Planning Handbook. This was a significant piece of work which took the Task Group over six months to complete. The Task Group's recommendations were considered initially by this Committee on 19 January 2023, and by the Planning Committee on 7 February 2023. Comments and recommendations from both Committees were reported to the extraordinary meeting of the Council on 22 February 2023 when the revised Handbook was adopted. The revised Handbook can be found in Part 5 of the Council's Constitution and in the Guide to being a Councillor, which was included in the induction packs for councillors following the Borough Council elections.
- Reviewed the extent to which outcomes of misconduct complaints against councillors should be published. The Task Group's recommendations were included in the Annual Report of the Monitoring Officer which was considered by this Committee on 15 March 2023.
- Following on from the previous item, the Task Group reviewed the current Arrangements for dealing with allegations of misconduct by councillors and co-opted members. The Task Group's recommendations in that regard will be discussed by the proposed new Joint Constitutions Review Group.

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Joint Constitutions Review Group

Draft Terms of Reference

Composition of the Joint Constitutions Review Group (“the Group”)

The Group is to be established jointly by Guildford Borough Council’s Corporate Governance & Standards Committee and Waverley Borough Council’s Standards & General Purposes Committee. Each committee shall appoint four members to the Group. The appointed members do not have to be members of the committee appointing them. Political balance rules do not need to apply.

Quorum: 4 (subject to each council being represented at a meeting of the Group by at least two members)

Substitutes: Substitutes may be appointed. Any appointed member of the Group may be substituted by any other member of their political group on the Council they represent.

Chairman: Each committee referred above shall appoint a co-chairman of the Group from among their four appointed members. Meetings of the Group shall be chaired alternately between the respective co-chairmen.

Place of Meetings: Meetings of the Group may be held remotely or in person. If the Group opts to meet in person, the venue for meetings shall normally alternate between the two councils with the host co-chairman chairing the meeting.

Frequency of Meetings: As and when required.

Servicing the Group: The servicing of the Group shall be agreed between the Councils’ Democratic Services Managers.

Role and Function

To examine, review, and report back initially to the Corporate Governance & Standards Committee and the Standards & General Purposes Committee on any matter relating to the Constitutional arrangements of both councils, or either, council.

Decision making

It is expected that the Group shall reach its recommendations through consensus. If consensus cannot be reached, a vote shall be held and the matter determined by a majority, provided that, where a matter relates to the Constitution of only one authority, the majority of those representatives of the relevant Council shall be part of that majority. If the overall majority of those present and voting does not include the majority of the relevant Council, then the decision shall stand referred to the Corporate Governance and Standards Committee at Guildford Borough Council or the Standards and General Purposes Committee at Waverley Borough Council, as appropriate, for determination. Where a majority decision on any recommendation cannot be made, the chairman or person presiding shall have no second or casting vote.

Guildford Borough Council

Report to: Corporate Governance & Standards Committee

Date: 27 July 2023

Ward(s) affected: All

Report of Director: Transformation & Governance

Author: Kate Gillman – Litigation lawyer

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Report Status: Open

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

1. Executive Summary

- 1.1 The Corporate Governance & Standards Committee is asked to recommend the adoption of the draft policy in Appendix 1 to this report. The Committee is also asked to note that the Audit & Risk Committee at Waverley Borough Council is being asked to recommend an identical policy to Waverley Borough Council, with a view to both councils updating their current policies to reflect best practice, and to put the councils in the position of separate but aligned policies. This would reflect the current position of maintaining sovereignty but the policy being aligned to support and facilitate future collaboration between the councils should that be forthcoming.

- 1.2 The Regulation of Investigatory Powers Act 2000 (RIPA) (as amended by the Protection of Freedoms Act 2012 (POFA)) and the Investigatory Powers Act 2016 (IPA) set out a regulatory framework for the use of covert investigatory techniques by public authorities who must also adhere to the published Codes of Practice. The purpose of the legislation is to regulate powers to access information in a manner that is compatible with the Human Rights Act 1998, particularly Article 8 - the right to respect for private and family life.
- 1.3 Interference with these rights must be necessary and proportionate. Guildford Borough Council is committed to implementing the provisions of RIPA (and associated legislation) to ensure that any covert surveillance and/or obtaining of Communications Data is undertaken lawfully and is necessary and proportionate to alleged offences.
- 1.4 It should be noted that the Council only uses covert surveillance powers exceptionally. In the last five years, the Council has only used its powers twice, once in February 2019 and once in August 2021. Both uses were in relation to directed surveillance.
- 1.5 The proposed policy:
 - describes the investigative techniques local authorities are allowed to use and the limited circumstances in which they can be used;
 - outlines the need for authorisation, training and identifies examples of what exactly would constitute regulated activity; and
 - seeks to outline the roles and responsibilities of various officers under the policy to ensure best practice and a consistency in approach when exercising RIPA and IPA powers.
- 1.6 The legislation and Codes of Practice are frequently amended, and this policy seeks to give up-to-date details of those changes. It will help the Council to comply with the requirements of the

Investigatory Powers Commissioner's Officer (IPCO) Inspectorate and also provide guidance to those who use these powers.

- 1.7 As we now have a Joint Management Team, some roles described within this policy, are shared across both Guildford and Waverley Councils and it makes sense for the policy to reflect this, and for Guildford and Waverley to have aligned policies so the responsibilities of shared officers are clear and consistent.
- 1.8 The draft policy draws the best parts and examples from each individual policy into one shared document.

Options considered:

- Maintaining two different policies, one for each council. (This is not recommended as both policies needed updating and as some of the personnel needed to fulfil these roles are based across the councils; it therefore makes sense to have the same policy and consistency).
- Adopt a joint policy for Guildford and Waverley – this is not recommended at the current time as it would not reflect the current status of two separate councils with limited collaboration in place, restricted to the Joint Management Team.
- Adopt two separate policies for Guildford and Waverley which are aligned – to reflect the separate sovereignty but enable and facilitate collaborative working whilst providing consistency and clarity for the roles and responsibilities of joint senior officers - in its current drafted form at Appendix 1. This is the recommended course of action.

2. Recommendation to Committee

- 2.1 The Committee is asked to recommend to the Executive (24 August 2023):

That the draft Policy in Appendix 1 to this report be adopted, subject to the same policy being adopted by Waverley Borough Council.

3. Reasons for Recommendation:

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

4. Exemption from publication

- 4.1 This report is not exempt from publication.

5. Purpose of Report

- 5.1. To inform the Council of proposed changes to the Covert Surveillance Policy and to agree a Policy that can be adopted by Guildford with the same policy being adopted by Waverley.
- 5.2. To streamline and update the Policy to reflect the most recent changes in law and changes in personnel responsible for different roles.

6. Strategic Priorities

- 6.1. To be a trusted, efficient, innovative, and transparent Council by publishing the framework we will operate under.

- 6.2. To ensure local, open, participative government
- 6.3. To comply with our value that we ensure that our councillors and staff uphold the highest standards of conduct.
- 6.4. To use all techniques available to ensure effective regulation and enforcement.

7. Background

- 7.1 Historically, both Guildford and Waverley have had their own separate and quite different policies in relation to covert surveillance. Guildford's Policy combined policy with practice and procedure and had some good examples to help illustrate when the power came into play. However, the policy was lacking in detail in some areas, particularly in relation to error reporting and social media usage guidance. Waverley had a relatively short policy document, which referred to a detailed procedural document. They also had a separate social media guidance document. Both policies were somewhat out of date in respect of Communications Data terminology and procedure as implemented by the IPA.
- 7.2 The draft policy at Appendix 1 aims to combine the best parts of both councils' documents into a coherent policy, which covers policy, practice, procedure, examples and social media guidance.
- 7.3 This policy applies to all employees of Guildford Borough Council, including those working from home or at non-Council locations. It also applies to councillors, consultants, agency staff and contractors working for the Council and external organisations working with the Council, whilst engaged on Council business. Provided the same Policy is adopted by Waverley Borough Council, that too will also apply to all their employees, councillors, consultants, agency staff and external organisations working on Council business. Hence, there will be clarity and consistency of both councils having an identical policy for employees and others employed jointly by the two councils, or working collaboratively on joint or shared services or projects. The two councils having an identical policy will also put

them in a strong position to support any future decisions to progress and extend the current collaborative working.

- 7.4 This policy applies to the authorisations of directed surveillance, CHIS and acquisition of communications data and other related activities.
- 7.5 The IPCO regularly inspects councils on their usage and compliance with the legislation and the contents of this draft policy has sought to address concerns raised in past inspections. It should be noted that Waverley Borough Council underwent an inspection from the IPCO in June 2023 and there were no matters of non-compliance raised. Guildford Borough Council is expecting an inspection from the IPCO in 2023-24.
- 7.6 By outlining different roles, responsibilities and procedure and training requirements it is hoped that there will be more clarity in the safe use of the councils' powers under these Acts, which are in turn a very useful enforcement tool to uphold the regulatory and enforcement duties of the councils.

8. Consultations

- 8.1. Liaison has taken place between Guildford and Waverley Legal Services and the Data Protection Officer for Guildford and Fraud Investigative Officer at Waverley.

9. Key Risks

- 9.1. Non-compliance with RIPA and associated legislation or the Human Rights Act, leading to non-admissibility of evidence, claims for compensation, maladministration, or criminal sanctions.
- 9.2. Criticism and negative results in IPCO inspections.

10. Financial Implications

- 10.1 Training costs of approximately £2,000 - in order to comply with the training requirements in the policy. (NB. it is proposed these costs will be shared with other councils across Surrey.)

11. Legal Implications

- 11.1 Having a policy which is not up to date with legislation and Codes of Practice, could lead to non-compliance with RIPA and associated legislation or the Human Rights Act.
- 11.2 If data is obtained unlawfully this could lead to non-admissibility of evidence, which would affect our ability to prosecute offences.
- 11.3 New criminal offences have been enacted under the IPA in relation to obtaining or disclosing data unlawfully.

12. Human Resource Implications

- 12.1. None identified

13. Equality and Diversity Implications

- 13.1 We have had due regard to the aims of the Public Sector Equality Duty (Equality Act 2010) and our statutory duty under section 149 of the Equality Act 2010, when drafting this policy.
- 13.2 This duty has been considered in the context of this report and it has been concluded that any equality and diversity implications are adequately addressed in the processes outlined.
- 13.3 The policy itself does seek to safeguard juvenile and vulnerable sources and warns against employment of covert techniques in a disproportionate manner.
- 13.4 The considerations and authorisations that any application for the use of covert techniques must pass, will mean that any use will be

necessary and proportionate, and consideration will have been given to collateral intrusion and the Human Rights Act.

- 13.5 Therefore, when the policy and legislative framework is followed, powers can only be employed in a balanced and non-discriminatory way. Powers can only be employed in a specific range of circumstances and checks and balances are in place.

14. Climate Change/Sustainability Implications

- 14.1. There are no direct climate change or sustainability implications arising from this report. The Council must manage risk effectively, especially risks relating to programmes and projects, to achieve its goal of being net-zero carbon by 2030.

15. Summary of Options

- 15.1 The officers' preferred option is that the Council adopts the new policy as drafted (Appendix 1), which is up to date as to current legislation and helps to align the two councils' policies on usage of investigatory powers. Once approved by both councils, this document will replace:
1. GBC's Covert Surveillance Policy and Procedure version 1 (2022)
 2. WBC's RIPA Policy version 2.0 (2023)
 3. WBC's Regulation of Investigative Powers Act 2000 – Procedural Guide (2023)
 4. Waverley social media in investigations procedure and guidance note
- 15.2 The Executive could adopt the new aligned policy with such amendments as it may see fit. However, the Executive should be mindful that any amendments it makes may not be adopted by Waverley Borough Council which would negate the benefits of having an aligned and identical policy.

- 15.3 The Executive could refuse to adopt the new policy and keep the separate and different policy framework for each borough Council. Along with not aligning to two authorities, there is also a risk that the policies are not compliant with the current guidance.

16. Conclusion

- 16.1 It is recommended that the new aligned policy is agreed and adopted as it contributes to consistent Practice across both Boroughs and updates the policies in line with changes in legislation and personnel.

17. Background Papers

RIPA 2000 - [Regulation of Investigatory Powers Act 2000 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

IPA 2016 - [Investigatory Powers Act 2016 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

NAFN – Investigatory powers guidance booklet [NAFN Investigatory Powers Act Guidance Booklet.pdf \(local.gov.uk\)](https://www.local.gov.uk)

Protection of Freedoms Act 2012 - [Protection of Freedoms Act 2012 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

Excerpts from the HRA 1998: [Human Rights Act 1998 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

Guildford 2022 policy

RIPA codes of Practice - [RIPA codes - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

RIPA Forms - [RIPA forms - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

18. Appendices

Appendix 1: Proposed Guildford Covert Surveillance and Investigative Powers Policy and Procedure

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Guildford Borough Council

Covert Surveillance and Investigative Powers Policy and Procedure

Document Information

Version: 1.0

This document replaces: All previous policies and procedural guides from Guildford Borough Council

Service Policy Owner: Guildford Borough Council Legal and Democratic Services

Governance: Monitoring Officer in consultation with Corporate Governance & Standards Committee (GBC) – Followed by recommendation to the Executive

Date of approval: TBC

Next review date: October 2024

Target Audience: All staff

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PART 1 – Definitions & Policy

Definitions:

“Article 8 – Right to respect for private and family life”

Everyone has the right to respect for his private and family life, his home and his correspondence.

There shall be no interference by a public authority with the exercise of this right except such as is in accordance with the law and is necessary in a democratic society in the interests of national security, public safety or the economic well-being of the country, for the prevention of disorder or crime, for the protection of health or morals, or for the protection of the rights and freedoms of others.

“Collateral Intrusion”

The risk of intrusion into the privacy of persons other than those who are directly the subjects of the investigation or operation

“Communications Data”

This covers the obtaining of Communications Data and disclosure to any person of such data. Communications Data relates to the use of a postal service or telecommunications system but does not include the contents of the communication itself, content of emails or interaction with websites.

“Confidential Journalistic Material”

This relates to material acquired or created for journalism purposes and subject to an undertaking to hold it in confidence, as well as communications resulting in information acquired for the purposes of journalism and held subject to such an undertaking.

“Confidential Material”

This is information where the subject of the operation may reasonably expect a high degree of privacy, or where confidential information is involved - including matters subject to legal privilege, confidential personal information - e.g., medical records or journalistic material.

“Confidential Personal Information”

This is information held in confidence relating to the physical or mental health of any identifiable individual (living or dead). This may include oral or written communications subject to an express or implied undertaking to hold the information in confidence. The definition above applies only in the context of covert surveillance and differs from the definitions of sensitive personal data used in guidance on data protection matters.

“Covert”

In general, covert is defined as something carried out in a manner calculated to ensure that the subject of the surveillance is unaware of it.

If activities are not hidden from the subjects of your investigation, you are not within the RIPA Legislation framework at all.

Similarly, surveillance is overt if the subject has been told it will happen

“Covert Human Intelligence Source (CHIS)”

Under the 2000 Act, a person is a CHIS if: they establish or maintain a personal or other relationship with a person for the covert purpose of facilitating the doing of anything falling within Section 26(8)(b) or (c); they covertly use such a relationship to obtain information or to provide access to any information to another person; or they covertly disclose information obtained by the use of such a relationship or as a consequence of the existence of such a relationship.

A relationship is established or maintained for a covert purpose if and only if it is conducted in a manner that is calculated to ensure that one of the parties to the relationship is unaware of the purpose. A relationship is used covertly, and information obtained is disclosed covertly, if and only if the relationship is used or the information is disclosed in a manner that is calculated to ensure that one of the parties to the relationship is unaware of the use or disclosure in question. This can therefore include undercover officers, public informants and, in some circumstances, people who make test purchases.

“Covert Surveillance”

This includes the three covert surveillance techniques that councils have the power to use: Directed Surveillance, the use of a CHIS and the obtaining of Communications Data

“Data Protection Legislation”

Means all applicable data protection and privacy legislation in force from time to time in the UK including the UK GDPR, the Data Protection Act 2018, the Privacy and Electronic Communications Directive 2002/58/EC (as updated by Directive 2009/136/EC) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended.

“Directed Surveillance”

As defined by the Home Office’s [Covert Surveillance Code of Practice](#) (2018) this is surveillance which is covert (i.e. the subject does not know they are under surveillance), but not Intrusive, and is undertaken:

- For the purposes of a specific investigation or operation
- In a way likely to result in obtaining private information about a person (whether or not specifically identified for the purposes of the investigation)
- Not as an immediate response to events of such a nature that it would be unreasonable and impracticable for an authorisation under RIPA Legislation to be sought

“Entity Data”

This data is about entities or links between them and describes or identifies the entity but does not include information about individual events. Entities could be individuals, groups and objects (such as mobile phones or other communications devices).

Entity Data covers information about a person or thing, and about links between a telecommunications service, part of a telecommunication system and a person or thing, that identify or describe the person or thing. This means that individual communication devices such as phones, tablets and computers are entities. The links between a person and their phone are therefore Entity Data but the fact of or information about communications between devices on a network at a specific time and for a specified duration would be Events Data.

Examples of Entity Data include:

- ‘Subscriber checks’ such as “who is the subscriber of phone number 01234 567 890?”, “who is the account holder of e-mail account example@example.co.uk?” or “who is entitled to post to web space?”;
- ‘Subscribers’ or account holders’ account information, including names and addresses for installation, and billing including payment method(s), details of payments;
- Information about the connection, disconnection and reconnection of services to which the subscriber or account holder is allocated or has subscribed (or may have subscribed) including conference calling, call messaging, call waiting and call barring telecommunications services;
- Information about apparatus or devices used by, or made available to, the subscriber or account holder, including the manufacturer, model, serial numbers and apparatus codes; and
- Information about selection of preferential numbers or discount calls.

“Events Data”

Events Data identifies or describes events in relation to a telecommunication system which consist of one or more entities engaging in an activity at a specific point, or points, in time.

Events Data covers information about time-bound events taking place across a telecommunication system at a time interval. Communications Data is limited to communication events describing the transmission of information between two or more entities over a telecommunications service. This will include information which identifies, or appears to identify, any person, apparatus or location to or from which a communication is transmitted. It does not include non-communication events such as a change in address or telephone number for a customer.

Examples of Events Data include, but are not limited to:

- Information tracing the origin or destination of a communication that is, or has been, in transmission (including incoming call records);
- Information identifying the location of apparatus when a communication is, has been or may be made or received (such as the location of a mobile phone);
- Information identifying the sender or recipient (including copy recipients) of a communication from data comprised in or attached to the communication;
- Routing information identifying apparatus through which a communication is or has been transmitted (for example, file transfer logs and e-mail headers – to the extent that content of a communication, such as the subject line of an e-mail, is not disclosed); itemised telephone call records (numbers called);
- Itemised internet connection records;
- Itemised timing and duration of service usage (calls and/or connections);
- Information about amounts of data downloaded and/or uploaded;
- Information about the use made of services which the user is allocated or has subscribed to (or may have subscribed to) including conference calling, call messaging, call waiting and call barring telecommunications services.¹

“Intrusive Surveillance”:

Directed Surveillance becomes Intrusive if carried out involving anything that occurs on residential premises or any private vehicle and involves the presence of someone on the premises or in the vehicle or is carried out by means of a surveillance device.

If the device is not on the premises or in the vehicle, it is only Intrusive surveillance if it consistently produces information of the same quality as if it were.

Where surveillance is carried out by a device designed mainly for providing information about a vehicle’s location, the activity is Directed Surveillance.

Surveillance involving commercial premises and commercial vehicles does not fall within the definition of Intrusive surveillance. (Unless legally privileged instructions/advice are likely to be given on the premises)

¹ Definition taken from Communications Data Codes of Practise

Please note Local Authorities are not allowed to carry out Intrusive Surveillance.

“Necessary”

The exercise is deemed “necessary” if it passes the necessary authorisation criteria (i.e., the detection or prevention of crimes – different seriousness levels depending on which technique you are using) – See Section below “The Necessity Test”. The applicant and AOs must also be able to demonstrate that there were no other means of obtaining the same information in a less intrusive or overt method (e.g., obtaining statements from witnesses where possible) and should evidence as far as reasonably practicable what other methods were considered and why they were not implemented.

“Proportionate”

The exercise is not “Proportionate” if it is excessive in relation to the case. Consideration should be given into the scale of the operation, the methods used and the impact on privacy would be excessive in relation to the allegation.

The proposed methods used in the operation must meet required objective and must not be arbitrary or unfair nor must the impact on any individuals/groups be too severe.

Methods used should be the least invasive needed to achieve the investigation’s aims.

“RIPA Legislation”:

The Regulation of Investigatory Powers Act 2000 (RIPA), Protection of Freedoms Act 2012(POFA) , the Investigatory Powers Act 2016 (IPA) and other related legislation set out the process to be followed when using covert investigatory techniques.

RIPA Codes of Practise have also been published which must be read and followed.

“Serious Crime Threshold “–

The offence being investigated must pass this threshold is Events Data is sought:

- S263(1) of the IPA 2016

“Serious crime” means crime where—

(a) the offence, or one of the offences, which is or would be constituted by the conduct concerned is an offence for which a person who has reached the age of 18 (or, in relation to Scotland or Northern Ireland, 21) and has no previous convictions could reasonably be expected to be sentenced to imprisonment for a term of 3 years or more, or

(b) the conduct involves the use of violence, results in substantial financial gain or is conduct by a large number of persons in pursuit of a common purpose.

“Surveillance”:

Surveillance includes:

Monitoring, observing or listening to persons, their movements, conversations or other activities or communication.

Recording anything monitored, observed or listened to.

Surveillance by or with the assistance of a surveillance device

“The Necessity Test”

Directed Surveillance: the exercise is deemed Necessary if it is to prevent or detect a crime that would attract a maximum prison sentence of at least six months (or underage sale of alcohol or tobacco products)²

CHIS: the exercise will be deemed Necessary if it is for the purpose of preventing or detecting crime or preventing disorder

Communications Data: where “Events Data” is sought, it must be Necessary to prevent or detect a “Serious Crime”, where “Entity Data” is sought it must be for the purpose of detecting or preventing crime or preventing disorder³

² Section 7A The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010

³ Section 60A 8 (b) Investigatory Powers Act 2016

Policy

Executive Summary

This policy is designed to give guidance to officers who use or authorise the use of Covert Surveillance in a lawful, Necessary, Proportionate and authorised manner. This will ensure that any evidence gained during an operation is lawful and admissible in Court and meets the aims of the investigation.

The use of investigatory powers by the local authority is governed by Legislation.

The Legislation allows the Council to interfere with the right to private and family life under article 8 of the Human Rights Act 1998 (“Article 8 rights” – see definitions) in limited circumstances that amount to covert surveillance. The use of covert surveillance must be Necessary and Proportionate to the alleged offence.

The Council is committed to implementing the provisions of the Legislation to ensure that any covert surveillance is undertaken properly and lawfully.

RIPA Legislation limits local authorities to using three covert investigation techniques, collectively referred to as Covert Surveillance. The use of Directed Surveillance and CHIS techniques must be authorised internally by an Authorising Officer (AO) and then by a Magistrate.

Directed Surveillance can only be used where Necessary to investigate a suspected crime or disorder with a maximum prison sentence of at least six months or offences related to underage sale of alcohol/tobacco⁴ and Proportionate, balancing the seriousness of the intrusion into privacy against the seriousness of the offence and whether the information can be obtained by other means.

Communications Data can only be obtained where Necessary and Proportionate, and Events Data is subject to the “Serious Crime Threshold”.

In the case of Communication Data, the application must be made to the Office of Communications Data Authorisation (OCDA) through an accredited Single Point of Contact (SPoC). The Council accesses these services through NAFN (National anti-fraud network).

Where unauthorised evidence-gathering interferes with Article 8 rights, and where there is no other lawful authority for it, the consequence may be that the evidence was gathered unlawfully. Courts may therefore disallow the evidence, a complaint of maladministration could be made to the Ombudsman or Investigatory Powers Tribunal, and the Council may have to pay compensation.

⁴ offences under—(i) section 146, 147, 147A of the Licensing Act 2003 (re sale of alcohol to children) ;(ii) section 7 of the Children and Young Persons Act 1933 (sale of tobacco, etc, to persons under eighteen) (iii) section 91 & 92 of the Children and Families Act 2014 (purchase of tobacco, nicotine products etc. on behalf of persons under 18, prohibition of sale of nicotine products).

The Investigatory Powers Act 2016 also introduced new offences in relation to unlawfully obtaining and unlawfully disclosing Communications Data.

The Legislation presents some difficult judgments which must be made from time to time. Whilst individual services can and do operate their own procedures, this is an issue which affects the Council corporately and staff will never be criticised for seeking advice. Legal Services wish to stress that they welcome the opportunity to discuss scenarios with officers, as this is an area in which matters must be decided on a case-by-case basis and scenarios are not static and thus advice and solutions must be kept under review.

Commitment of the Council

The Council will:

1. Obtain judicial authorisation and ensure that any the action is carried out lawfully
2. Put in stringent safeguards against abuse
3. Comply with Legislation and any relevant statutory guidance issued.
4. Provide training for all staff that may use Covert Surveillance, as identified by the relevant Executive Heads of Service
5. Ensure all AOs are suitably trained and that this training is refreshed on an annual basis
6. Monitor its own working practice on a regular basis and review this policy
7. Welcome scrutiny from the Investigatory Powers Tribunal (IPT) and periodic inspections from the Investigatory Powers Commissioner's Office (IPCO).
8. Cooperate fully with the IPT and IPCO and implement any proposals or changes which may be suggested.

Scope of this policy and procedural document

This Policy applies to all employees working for the Council, including those working from home or at non-Council locations. It also applies to councillors, consultants, agency staff and contractors working for the Council and external organisations working with the Council, whilst engaged on Council business. If or where this policy conflicts with any statute, regulation or Code of Practice, those documents take priority over this policy.

This policy applies to the authorisations of Directed Surveillance, sources (CHIS) and acquisition of Communications Data.

Authorisations under RIPA Legislation should be made **where relevant** and will only be relevant where the **criteria** listed on the authorisation forms are fully met.

In particular, RIPA Legislation is not relevant to the following activities:

- Covert surveillance by way of an immediate response to events
- Covert surveillance as part of general observation

- Covert surveillance not related to core functions
- Overt use of CCTV and ANPR systems, which are regulated by Data Protection Legislation (includes body-worn cameras⁵)

Where RIPA Legislation is not relevant, the Data Protection Legislation is likely to regulate the use and obtaining of any evidence relating to any living individual. In these cases, the officer responsible must carry out a Privacy Impact Assessment (PIA) and seek advice from the Data Protection Officer (DPO).

Governance roles, responsibilities and communication

Senior Responsible Officer (SRO)

The Executive Head of Legal & Democratic Services is the Senior Responsible Officer (SRO) who is responsible for:

- Integrity of processes for management of CHISs and Directed Surveillance and applications for Communications Data
- Compliance with Part 2 of RIPA 2000 and the associated Codes
- Oversight of the reporting of errors to the relevant Commissioner and identification of both the cause(s) of errors and the implementation of processes to minimise the repetition of errors
- Engagement with IPCO inspectors when they conduct inspections
- Engaging with Members - who in accordance with the Code of Practise should review/consider internal reports on use to ensure this is consistent with policy and that the policy remains fit for purpose
- Where necessary, oversight of the implementation of post-inspection action plans approved by the relevant oversight Commissioner
- Ensuring appropriate training is available for AOs or relevant staff
- Ensuring that policies are fit for purpose and that AOs are competent.

RIPA Coordinating Officer

Legal Services - Litigation is the RIPA Coordinating Officer. The RIPA Coordinating Officer will:

- Provide a Unique Reference Number (URN) to the Investigating Officer (IO)
- Monitor and keep the central record of authorisations and refusals
- Record the date, time and local of Judicial approval
- Record all renewals and cancellations

⁵ Unless specifically directed/targeted to a person - in a planned manner - as part of an investigation then would become Directed Surveillance (if not immediate response)– see example in the Appendices

- Provide advice on the use of covert surveillance
- Provide governance support to the SRO as required or directed
- Maintain a central register of all equipment capable of being used for Directed Surveillance
- Maintain a central register of all training
- Maintain a record and keep copies of agent agreement forms
- Keep a database for identifying and monitoring expiry dates and renewal dates
- Along with AOs and the IOs must ensure that any electronic and paper records relating to a RIPA Legislation investigation are used, retained or destroyed in line with the Council's Information Management policies, departmental retention schedules and the Data Protection Legislation.
- Monitor each department's compliance and act on any cases of non-compliance.

Single Point of Contact (SPoC) for Communications Data

The Council will use the SPoC service provided by the National Anti-Fraud Network (NAFN) each council will have an officer who manages the account.

The SPoC:

- Assesses whether access to the Communications Data is reasonably practical for the postal or telecommunications operator
- Advises applicants and AOs on the practicalities of accessing different types of communications data from different postal or telecommunications operators
- Provides safeguards for authentication
- Assesses cost and resource implications to both the authorisation and postal or telecommunications operator
- Provide quality assurance checks to ensure that applications consistently comply with IPA standards and to a sufficient level to meet OCDA and IPCO scrutiny;
- Monitor those applications which are returned for rework or rejected by OCDA and determine the reasons why;
- Provide organisational and/or individual training as and where necessary sharing best practice advice and support;
- Be the point of contact between public authorities and OCDA; (NOTE: Applicants will not be able to contact OCDA).
- Sends application on to the OCDA for approval

Authorising Officers (AOs)

- The role of the AOs is to authorise, review, renew and cancel Directed Surveillance or use of a CHIS.
- AOs should not be responsible for authorising investigations or operations in which they are directly involved. If this does happen, if urgency requires

it, the Central Record of Authorisations should highlight this, and it should be brought to the attention of a Commissioner or Inspector during their next inspection.

- The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 prescribes that for local authorities the AO shall be a Director, Head of Service, Service Manager or equivalent as distinct from the officer responsible for the conduct of an investigation.
- A designated AO must qualify both by rank and by competence. Officers who wish to be designated must have been trained to an appropriate level so as to have an understanding of the Act and the requirements that must be satisfied before an authorisation can be granted.
- The forms to be utilised by AOs can be found in Appendix D
- AO must complete the relevant section on the application form and explain exactly what they are authorising (what is within the application or less), against who, in what circumstances, where etc. It is important that this is very clear as the surveillance operatives are only allowed to carry out what is authorised. This will assist with avoiding errors. They must explain why the surveillance is Necessary and Proportionate to what it seeks to achieve, taking into account the Collateral Intrusion issues, and that the level of the surveillance is appropriate to achieve the objectives.
- If any equipment such as covert cameras, video cameras is to be used, the AO should know the capability of the equipment before authorising its use. This will have an impact on Collateral Intrusion, necessity, and proportionality. They should not rubber-stamp a request.
- AOs are also responsible for carrying out regular and meaningful reviews of applications which they have authorised and also for the cancellation of authorisations –authorisations should be cancelled when no longer Necessary or renewed in good time and should not be allowed to expire or lapse. AOs should record and retain notes of all decisions
- AOs must acquaint themselves with the relevant Codes of Practice issued by the Home Office and the latest updates in RIPA Legislation. See link in Appendix D (these are the current versions as of June 2023)
- AOs must demonstrate that the proposed activity is Necessary for the prevention or detection of a crime which either carries a maximum sentence of at least six months' imprisonment or is an offence relating to the sale of alcohol or tobacco products to minors, when authorising Directed Surveillance. (As to the definition of "detecting crime", see RIPA 2000 section 81(5).)
- AOs also need to consider if confidential information will be gained, (see definitions section) in which case the matter must be referred to the Chief Executive
- AOs must also satisfy themselves that the application is Necessary and Proportionate in the particular circumstances – taking into account Article 8 Rights and Collateral Intrusion. (See definitions section)

- The ICPO envisages that the AO will make the judicial application (although this may not always be possible, and can be delegated to IO or Legal Services)

Investigating Officers (IOs)

- IOs should think about the need to undertake Directed Surveillance or CHIS before they seek legal advice with a view to authorisation. IOs need to consider whether they can obtain the information by using techniques other than covert surveillance. There is nothing that prevents an IO discussing the issue of surveillance beforehand and this policy requires officers to discuss with Legal Services.
- IOs may need to:
 1. Identify the objective(s)
 2. Describe the nature of the surveillance and identities (if known)
 3. Provide supporting information and intelligence
 4. Conduct location research and feasibility study
 5. Identify Collateral Intrusion and detail how to manage this
 6. Consider who, what why where when and how
 7. Detail why the activity is Necessary and Proportionate
 8. Prepare risk assessments
- IOs must ensure a feasibility study has been conducted as this may be required to be seen by Legal Services and the AO. The person seeking the authorisation should then complete the application form having regard to the guidance given in this policy and the statutory Codes of Practice.
- The form should then be submitted to the AO for authorisation who must also take advice from Legal Services.

Training

The SRO is responsible for ensuring relevant members of staff are suitably trained as AOs and IOs so as to avoid common mistakes appearing on forms for RIPA Legislation authorisations.

Training will be given, and completed, before AOs are certified to sign any authorisation forms. A certificate of training will be provided to the individual and a central register of all those individuals who have had training, will be kept by the RIPA Coordinating Officer.

This training must be refreshed annually.

Activities by other Authorities

Care is needed to ensure that there is no conflict between the activities of this Council and other public authorities. The IO should make enquiries of other authorities (such as the police) to find out whether they are carrying out similar activities if he/she considers that there is such a possibility.

Joint Investigations (collaborative working)

When some other agency has been instructed on behalf of the Council to undertake any action under RIPA Legislation, this document and the forms in it,

must be used (as for the normal procedure) and the agency advised or kept informed of the various requirements. They must be made aware explicitly of what they are authorised to do.

They must also fill out the Agent's agreement form, found in the Appendices, a copy of which should be passed to the RIPA Coordinating Officer.

When another agency (e.g., the Police, HM Revenue & Customs) wishes to use the Council's resources or premises, that agency must use their own Covert Surveillance procedure and forms and a copy should be passed to the RIPA Coordinating Officer.

If the police or other agency wish to use Council resources for general surveillance (as opposed to specific covert investigations), they must request this in writing. This must include remit, duration, details of who will be undertaking the general surveillance and the purpose of it before any Council resources are made available.

A copy of the letter must be sent to the RIPA Coordinating Officer for the central record.

Complaints

Complaints about Covert Surveillance should be made under the Council's Corporate Complaints Policy.

The SRO may review the conduct of particular operations at any time.

Review of this policy and procedure

RIPA Legislation and this document are important for effective and efficient operation of the Council's actions on surveillance. Therefore, the SRO will keep this document under review. AOs must bring any suggestions for continuous improvement of this document to the attention of the SRO at the earliest possible opportunity.

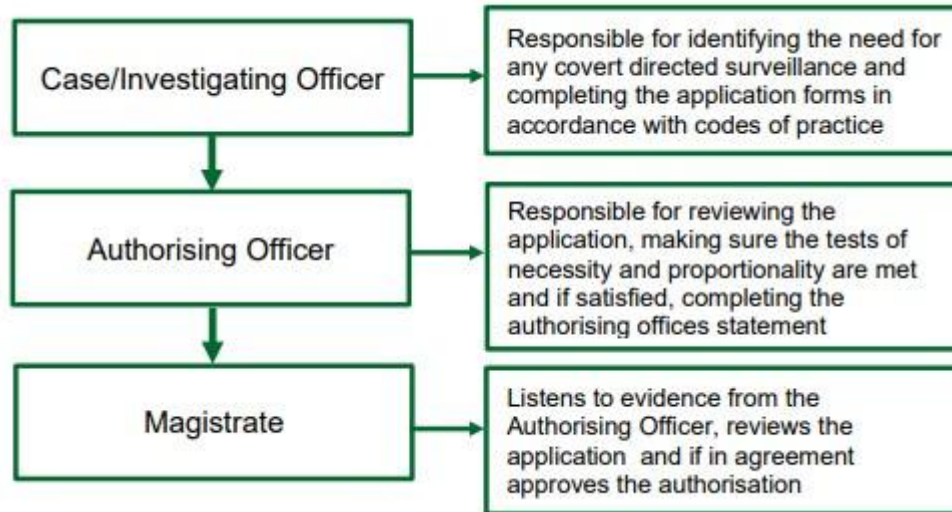
This policy will be reviewed by the Corporate Governance and Standards Committee at Guildford and then go before the full council for approval.

The SRO will review the policy every year in consultation with the Committees above.

Part 2 – Procedure

Summary of the authorisation procedure

Three individuals are involved in granting authorisation for covert **Directed Surveillance and the use of a CHIS**:



The following is an overview of the authorisation procedure.

IOs must obtain a unique reference number from the RIPA Coordinating Officer (Legal Services) for any planned, covert operation for which they intend to apply for authorisation.

Directed surveillance

For Directed Surveillance and use of CHIS, IOs must submit the application form for Directed Surveillance (latest version found on the internet) to a designated AO – There is a list of those eligible to act as AOs at Appendix A, but as eligibility will also depend on having completed the training, please contact the Legal Team for a list of AOs when needed.

Where a likely consequence of surveillance is the acquisition of Confidential Material⁶, the IO must, always seek authority from the Chief Executive.

Applications for the renewals and cancellations of surveillance must be authorised by the same AO where possible.

Once authorised, the AO will ensure that the administration at the [Magistrates Court](#) is contacted (email: SurreySussexMC@justice.gov.uk) to arrange a hearing for judicial approval. The current application for judicial approval form as published by the Home Office, must be used for this purpose.⁷

⁶ See definitions section

⁷ See Appendix D

Authorisation of surveillance

Activity requiring authorisation

<p>INTRUSIVE SURVEILLANCE</p> <p>Council cannot authorise</p>	<p>DIRECTED SURVEILLANCE</p> <p>Authorisation needed</p>	<p>COVERT HUMAN INTELLIGENCE SOURCE</p> <p>Authorisation needed</p>
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Authorisation is required for the following activities:

- Directed Surveillance
- Use of sources (CHIS)
- The acquisition or disclosure of Communications Data

Officers conducting investigations on the Council's behalf must seek authorisation in writing for Directed Surveillance and use of CHISs. In the case of Communications Data, they must make a colleague of AO Level or above aware when submitting the application through the NAFN.

The authorisations must be set out on the latest forms : [RIPA forms - GOV.UK \(www.gov.uk\)](http://www.gov.uk) [Home Office forms](#) which should not be adapted or modified unless authorised by the SRO.

Unique Reference Numbers (URNs)

Each application for authorisation must have a Unique Reference Number (URN). The officer applying for authorisation must first obtain the next available URN from the RIPA Coordinating Officer. Rejected forms will therefore also have URNs.

Authorising Officers (AOs) – roles and responsibilities

Once an application in relation to Covert Surveillance has been received, the AO should consider the form and undertake the Necessity Test. The AO must complete the relevant section of the form explaining why in his/her opinion the surveillance is Necessary and Proportionate and that any Collateral Intrusion has been considered. They should also detail the exact activity being authorised, who against etc. in the relevant authorisation section on the form.

Authorising the acquisition of Confidential Material

If the application is for Confidential Material, the IO must seek authority from the Chief Executive. The fullest consideration must be given to any cases where the subject of the Surveillance might reasonably expect a high degree of privacy.

Applications where the Surveillance could result in the acquisition of Confidential Material will be considered only in exceptional and compelling circumstances. The IO and the Chief Executive must have full regard to the proportionality issues this raises.

Authorising the acquisition of Directed Surveillance

Surveillance is only covert if it carried out in a way calculated to ensure the subject specific investigation is unaware of it. RIPA authorisation is required for Covert Surveillance undertaken in a way likely to result in private information being obtained. It is not Directed Surveillance if it is in immediate response to events.

The AO must ensure that the Directed Surveillance has passed the Necessity test. The exercise is deemed Necessary if it is to prevent or detect a crime that would attract a maximum prison sentence of at least six months (or underage sale of alcohol or tobacco products).⁸

The AO must also consider if the Directed Surveillance is Proportionate and any associated Collateral Intrusion.

Local Authorities are not permitted to undertake Intrusive Surveillance (see definitions section). Operatives will have to take particular care when using surveillance devices that Directed Surveillance does not become Intrusive (i.e., if device can see inside a property or car with the detail and quality that would be expected were the device present inside these places)

Authorisation for the use of sources (CHIS)

Prior to authorising the use of a CHIS, the AO must be satisfied that the operation is Necessary for the purpose of preventing or detecting crime or preventing disorder. They must then consider the use to be Proportionate and any associated Collateral Intrusion.

A source may include those referred to as agents, informants and officers working undercover.

Whilst the council is not in the practise of using CHISs, arrangements must be in place and Legal Services should be consulted should the event arise. There may also be situations where a person who is not originally a CHIS becomes one, so officers need to be alert to this fact.

The AO shall ensure that arrangements are in place for the proper oversight and management of sources, including appointing individual officers for each source. The AO shall carry out a risk assessment **before** authorising the source. The assessment should include provisions for the source's safety and welfare, and as such should be updated throughout the duration of the authorisation.

The person responsible for the day-to-day contact between the public authority and the source should be named in the application

Officers using a source shall consider the safety and welfare of that source (even after cancellation of the authorisation), and the foreseeable consequences to others of the tasks they are asked to carry out.

⁸ Section 7A The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010

The use of a CHIS may only be authorised if arrangements are in place including the following:

- That there will at all times be an officer within the council who will have day to day responsibility for dealing with the source on behalf of the authority, and for the source's security, (the handler).
- That there will at all times be another officer within the council who will have general oversight of the use made of the source; (controller).
- That there will at all times be an officer within the council who has responsibility for maintaining a record of the use made of the source; and
- That the records relating to the source maintained by the council will always contain particulars as laid down by the CHIS codes of practice

Only the Chief Executive can authorise the use of vulnerable individuals and juvenile sources. The Chief Executive shall consider the special safeguards or provisions applying to vulnerable individuals and juvenile sources, as set out in Cover Human Intelligence Sources revised Code of Practice, which sets out that:

- (a) security and welfare should be taken into account when carrying out actions in relation to an authorisation or tasking including foreseeable consequences to others
- (b) a risk assessment should be carried out before authorised to determine risk to source of tasking consequences should their role become known
- (c) the person responsible for the source's welfare and security should bring to the AO's attention any concerns. Where appropriate concerns about security / welfare matters should be considered by the AO and a decision made on whether the authorisation should continue.

If a source is under 16 years, please seek advice from Legal Services as different and more stringent provisions apply

If instructing an agent to be the CHIS, the agent must complete and sign the form marked "Agent's Agreement Form" contained in Appendices. The agent will be subject to RIPA Legislation and this policy in the same way as any employee of the Council would be. They may also be inspected by the IPCO in respect of each particular operation. This should be pointed out during the instruction and contract stage. Advice should be sought from Legal Services.

Once authorised by the AO any application for use of a CHIS will need judicial approval.

Communications Data

Procedural guidance for obtaining authorisation from the OCDA is available here: [NAFN Investigatory Powers Act Guidance Booklet.pdf \(local.gov.uk\)](#)

The application forms are now completed electronically via the CycComms portal The IO completes the application on the CycComms Portal. Prior to an IO submitting an application for Communications Data they will discuss the investigation and the necessity / proportionality for the request with

an AO or the Chief Executive. Thereafter the application will be scrutinised by the SPOC before being submitted to OCDA for approval. Anyone completing these forms can be given guidance.

An AO or Chief Executive must be made aware of the application and must endorse the form to this effect.

There is no longer need for judicial approval, except in cases where journalistic source materials are sought -where the application will be referred to a Judicial Commissioner within the IPCO.

Where cases are novel or contentious an officer of at least the rank of SRO must be aware of the application.

Local authorities are now only allowed to seek Entity and Events Data. Where Events Data is being sought to detect crime, that crime must meet the Serious Crime Threshold. The application must also pass the Necessity Test and be deemed Proportionate as well as giving consideration to any possible Collateral Intrusion.

NAFN will provide an annual return to the SRO so that they can comply with their reporting and submission duties.

IOs must keep records of their investigation in line with established retention periods. This includes copies of any Communications Data applications that have been made electronically.

Forms will remain on the central record for six years from date of cancellation.

Acquisition of Communications Data

The Investigatory Powers Act 2016 ('IPA') allows for the Council to acquire Communications Data from telecoms and postal operators via an authorisation procedure. Communications Data can include Entity Data or Event Data.

It does not include the content of the communications. The Council has no right to listen in to phone conversations without permission or read post or electronic communications before they have been received.

A local authority may not make an application that requires the processing or disclosure of internet connection records for any purpose.

Where "Events Data" is sought, it must be Necessary to prevent or detect a "Serious Crime", where "Entity Data" is sought it must be for the purpose of detecting or preventing crime or preventing disorder⁹

Communications Data, and all copies, extracts and summaries of it must be handled and stored securely.

⁹ Section 60A 8 (b) Investigatory Powers Act 2016

Officers must observe the requirements of the Data Protection Legislation and the principles of the [Criminal Procedure and Investigations Act 1996](#). Officers must seek advice from the Data Protection Officer (DPO) when they have questions about information security and integrity.

The Home Office has issued guidance to support the Communications Data codes of practice, both can be accessed here: [Investigatory Powers Act 2016 – codes of practice - GOV.UK \(www.gov.uk\)](#) This policy must be read in conjunction with the Code and all staff involved in the acquisition of Communications Data must have regard to the provisions.

Applications must be made through NAFN. The local authority making the application must ensure someone of at least the rank of AO in the local authority is aware the application is being made before it is submitted to an authorising officer in OCDA.

NAFN will be responsible for submitting the application to OCDA on behalf of the local authority.

Please contact the RIPA Coordinating Officer, DPO or an AO for more information.

Social Media

In some investigations, social media sites can form a useful source of intelligence. Usually, a review of open-source sites will not need authorisation. However, if reviews are carried out on the same individual with some regularity, this may amount to Directed Surveillance and authorisation should be obtained.

Please see Appendix B “Use of Social Media in Investigations – Procedure and guidance note” for more detail and information on what permitted

Duration, reviews, renewals and cancellation of authorisations

Duration

Authorisations last for:

- Three months from date of grant or latest renewal for Directed Surveillance
- Twelve months from date of written grant for the conduct or use of a source (NB: Juvenile Sources (CHIS) 1 Month)
- One month from date of written notice or authorisation for Communications Data, or earlier if cancelled

Officers should note that the authorised period starts from the date authorisation is granted, not from the date the surveillance begins.

Authorisations must not expire. They must be kept under review, and then renewed or cancelled if no longer required.

Reviews

AOs must review the operation by the date he/she has entered on the authorisation form (or latest renewal, if applicable). The review's purpose is to assess the need for the surveillance to continue, considering the specific circumstances and sensitivities of the investigation. They must cancel the authorisation if no longer needed.

AOs should record review results on the standard review form and add a copy to the central authorisations record held by the RIPA Coordinating Officer.

Where the Surveillance provides access to Confidential or sensitive Information or involves Collateral Intrusion the officer should conduct reviews more frequently.

Cancellations

An AO must cancel an authorisation as soon as it is no longer Necessary, or no longer Proportionate to the objective. The duty to cancel a notice falls on the AO who issued it.

This applies to both original applications and renewals.

Authorisations must also be cancelled if the Surveillance has been carried out and the original aim has been achieved.

A copy of the original cancellation form must also be sent to the RIPA Coordinating Officer. The standard Home Office cancellation forms should be used and is available here:

[RIPA forms - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

Renewals

Authorisations may be renewed more than once, if necessary, and the renewal should be kept and recorded as part of the central record of authorisations.

Authorisations can be renewed shortly before the maximum period has expired. The renewal will begin on the day the authorisation would have expired. Where renewals are timetabled to fall outside of court hours, it is the AO's responsibility to ensure the renewal is completed ahead of the deadline. (Not more than 7 working days before)

An AO must still consider all of the issues that are required for a first application before a renewal can be granted. Each renewal will need the approval of a Magistrate.

If the reason for requiring authorisation has changed from its original purpose it will not be appropriate to treat the application as a renewal. The original authorisation should be cancelled, and a new authorisation should be granted.

The AO and applicant should retain a copy of the renewal and the judicial application/order form. A copy of the original renewal form and the judicial

application/order form must also be sent to the RIPA Coordinating Officer for the central register.

An authorisation cannot be renewed after the authorised period has expired. In this case the AO must cancel the authorisation and consider the matter afresh.

Renewal forms are available here: [RIPA forms - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

Judicial Approval

Judicial Approval is required for Directed Surveillance and the use of a CHIS.

The AO should contact [HM Courts & Tribunals Service](#) at the Magistrates' court to arrange a hearing and may delegate this to the IO or Legal Services.

The hearing is a legal proceeding, so officers must be formally designated to attend, be sworn in and present evidence or information as required. It is envisaged that the AO will usually attend as they will have the detailed knowledge of why the application was deemed Necessary and Proportionate, but it is understood that sometimes the IO will attend. However, it is important to note that the forms and supporting papers must, by themselves, make the case for authorisation. Legal Services are happy to assist if necessary.

The Magistrate should have sight of the authorisation form and the supporting documents setting out the case – including all information the authorisation relied on. The Council must retain the original documentation.

The Magistrate must be sent a partially completed judicial application form and will complete the form's order section, which will then be the official record of the Magistrate's decision.

The hearing will take in private (closed to public) and can be conducted by one Magistrate

Reporting Errors

There is a requirement to conduct regular reviews and report all covert activity that was not properly authorised to the (IPCO) in writing as soon as the error is recognised. An "error" includes activity which should have been authorised but wasn't or which was conducted beyond the directions provided by the AO. It is therefore important that when an error has been identified it is brought to the attention of the SRO in order to comply and the notification should be made as soon as practicable.

This will require a report detailing any remedial action taken, including details of the cause, material obtained, unintended Collateral Intrusion, whether material destroyed or retained, and summary of steps taken to prevent recurrence. The Council also has a responsibility to report to the Inspector at the commencement of an inspection all activity which should have been authorised but wasn't. This is

to confirm that any direction provided by the IPCO has been followed. This will also assist with the oversight provisions of the Council's RIPA Legislation activity.

'The Reporting Errors Form' in Appendix D should be used for this purpose.

This does not apply to Covert activity which is deliberately not authorised because an AO considers that it does not meet the legislative criteria but allows it to continue. This would be surveillance outside of RIPA Legislation and should be recorded by the AO on a Sub-RIPA form.

The central record

The RIPA Coordinating Officer will maintain a central register of Covert Surveillance and use of sources in order to comply with legal requirements and for quality assurance.

AOs must ensure that copies of the following are included in the Council's central record:

- Authorisation Forms (whether or not the authorisation is granted or refused)
- Review forms/Renewal forms
- Cancellation forms

The central record shall contain the following information for each case:

- The type of authorisation or notice
- The date the authorisation or notice was given
- Name and rank/grade of the AO
- The unique reference number (URN) of the investigation or operation
- Title of operation, including brief description and names of subjects, if known
- If the authorisation or notice is renewed, when it was renewed and who authorised renewal, including name and rank/grade of the AO
- Whether the operation is likely to result in obtaining confidential information
- The date the authorisation or notice was cancelled
- Where and when a Justice of the Peace or Magistrate has granted authorisation

These records will be retained for at least six years from the ending of the cancellation. A record will be kept of the dates on which the authorisation notice is started and cancelled.

AOs must provide the relevant forms to the RIPA Coordinating Officer within one week of the authorisation, review, renewal, cancellation or rejection.

AOs must ensure that any forms, sent through internal post, are in sealed envelopes using the security measures required for documents classified as “Official-Sensitive”.

This record will be monitored, and appropriate advice given from time to time. It will also be made available to the relevant Commissioner or an Inspector from the IPCO.

IOs must retain the original form with the investigation’s working file.

Records retention and destruction

Retention of material obtained through surveillance

Arrangements must be in place for handling, storage and destruction of material obtained using Directed Surveillance, a CHIS or Communications Data. The AO must make the following arrangements to protect the material:

- A named officer responsible for retaining the data and disposing of it securely.
- Physical, technical/organisational measures must be in place to prevent unauthorised access to, and use of the data obtained by the surveillance.
- Physical, technical/organisational measures must be in place to prevent accidental/unauthorised loss of data obtained by the surveillance exercise.
- AOs must ensure compliance with data protection and local documented working procedures relating to the handling and storage of material.
- Material obtained from properly authorised surveillance, or a source may be used in other investigations. Where the product of surveillance could be relevant to pending or future proceedings, it should be retained in accordance with established disclosure requirements for a suitable period and subject to review.
- This applies to material which points towards or away from the suspect and the fact that the subject of the investigation may see the documents on later date should be borne in mind in the drafting of applications/findings
- Communications Data may only be held for as long as the relevant public authority is satisfied that it is still necessary for a statutory purpose. When it is no longer Necessary or Proportionate to hold such data, all copies of relevant data held by the public authority must be destroyed. Data must be deleted such that it is impossible to access at the end of the period for which it is required.
- Information obtained through Directed Surveillance or a CHIS, and all copies, extracts and summaries which contain such material, should be scheduled for deletion or destruction and securely destroyed as soon as they are no longer needed for an

authorised purpose (as outlined in relevant code of practise). If such information is retained, it should be reviewed at appropriate intervals to confirm that the justification for its retention is still valid. In this context, destroying material means taking such steps as might be necessary to make access to the data impossible.

- The AO must review whether the information should be disposed of or kept for a further length of time.
- The AO should take into consideration the status of any legal proceedings connected to the operation and the likelihood of any future legal action (including action taken by the subject(s) of the surveillance).
- The justification for any decision to keep the information must be documented and kept with the file.

The following documents must be kept, but need not form part of the central record:

- Supplementary documentation and notification of AO's approval
- Supporting documentation submitted when a renewal is requested
- Date and time when any instruction is given by the AO

Covert Human Intelligence Source Records (CHIS)

IOs must keep proper records of the authorisation and use of a source. Please see the Code of Practise for more details: [Covert Human Intelligence Sources code of practice 2022 - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

The records must contain information as to identity, security and welfare, risk assessments, recruitment information, handlers and controllers, tasks allocated, communications and all information given to or obtained from the source.

If any officer is unsure about the provisions of the Legislation or have questions about the use of Covert Surveillance techniques, please contact Legal Services

Part 3 - Appendices

Appendix A: Authorising officers

Please check with the Legal Department for the most up to date list of AOs.

Table 1: Names of SRO and Authorising Officers (subject to training being completed)

Designation	Name
Joint Chief Executive	Must authorise any operations using juveniles and any operations where confidential information is likely to be obtained
Senior Responsible Officer (SRO)	Joint Executive Head of Legal & Democratic Services (Monitoring Officer)
Authorising Officer 1	Joint Strategic Director, Community Wellbeing
Authorising Officer 2	Joint Strategic Director, Place
Authorising Officer 3	Joint Strategic Director, Transformation & Governance
Authorising Officer 4	Joint Executive Head Community Services
Authorising Officer 5	Joint Executive Head, Housing Services
Authorising Officer 6	Joint Executive Head, Planning Development
Authorising Officer 7	Joint Executive Head, Regulatory Services
RIPA Coordinating Officer	Legal Services – Litigation Lawyer

Appendix B:

Use of Social Media in Investigations - Procedure and guidance note

A guide to the Council's approach to the use of social media in relation to Regulation of Investigatory Powers Act 2000 investigations.

Social Media guidance

This guidance sets the framework on which the Council may utilise Social Media when conducting investigations into alleged offences. Whilst the use of Social Media to investigate is not automatically considered Covert Surveillance, its misuse when conducting investigations can mean that it crosses over into the realms of Covert and/or targeted surveillance, even when that misuse is inadvertent. It is therefore crucial that the provisions of the RIPA 2000, as it relates to Directed Surveillance and use of a CHIS, are followed at all times when using Social Media information in investigations. Otherwise, any evidence obtained may become inadmissible

It is recognised that the use of the internet and, in particular, social networking sites such as Facebook, can provide useful information for council staff carrying out investigations or gathering evidence when dealing with service users. However, accessing an individual's or company's internet and social networking sites may potentially fall within the definition of Covert Directed Surveillance, which would require authorisation to be sought from a Magistrates Court.

Failure to seek authorisation, when necessary, could result in the Council breaching Article 8 Rights. It is therefore important that officers adhere to the Council's policy and this guidance when considering accessing internet and social networking sites as part of an investigation or to gather evidence.

Process to be followed when considering using Social Media or Social Networking Sites in Investigations

Where an officer considers it necessary to view a social networking site to investigate an allegation or an individual, the process to be followed is:

1. Before viewing any social networking site, the officer must seek the approval of their direct line manager.
2. Officers must not use their own personal or private account when accessing social networking sites for investigations/evidence gathering, only Council accounts should be used.
3. Officers may access the main page of an individual's profile to take an initial view as to whether there is any substance to the allegation of the matter being investigated. The initial viewing must be reasonable, for example, it would not be reasonable to spend any significant amount of time searching through various pages of an individual's profile or to print out several pages just in case they may reveal something useful.

4. The DPO maintains a log recording when social networking sites are viewed for investigations/evidence gathering. Each single viewing of a company or individual's social networking site must be recorded on the log. This is to enable the Council to monitor the use of these sites for investigations/evidence gathering and use this information to review policies and guidance.
5. If it is considered that there is a need to monitor a company's or individual's social networking site, then the officer must refer the matter back to their line manager for consideration as to whether the activity constitutes Covert Surveillance. If officers are in any doubt as to whether an authorisation is required, they should seek advice from Legal Services before continuing to access a social networking site.
6. If the offence being investigated falls under RIPA Legislation, a formal Covert Surveillance application must be completed, authorised by one of the Council's AOs and then approved by a Magistrate.
7. If the offence being investigated falls outside of RIPA Legislation, a 'Sub-RIPA form must be completed and forwarded to the RIPA Coordinating Officer to be added to the log.

What is meant by 'Social Media' for the purposes of this guidance note:

Social Media, sometimes also referred to as a Social Network, can take many forms. Therefore, it can be difficult to provide a definitive list of sites.

Social Media will always be a web-based service that allows individuals and/or businesses to construct a public or semi-public profile. Beyond this, Social Media can be diverse, but will often have some, or all, of the following characteristics:

- An ability to show a list of other users with whom they share a connection; often termed "friends" or "followers".
- An ability to view and browse their list of connections and those made by others within the system.
- Host capabilities allowing users to post audio, photographs and/or video content that is
- viewable by others.
- Social Media can include community-based web sites, online discussions forums, chatrooms and other social spaces online.

Current examples of the popular forms of Social Media include (this list is not exhaustive and new forms can be created and others may vary or wain in popularity):

- Facebook
- Twitter
- Instagram
- LinkedIn
- Pinterest
- Tumblr

- Reddit
- Flickr
- Instagram
- Tiktok
- Snapchat
- Online dating websites

The definition of 'private information' under RIPA 2000 includes:
"any information relating to a person's private or family life and should be taken generally to include any aspect of a person's private or personal relationship with others, including family and professional or business relationships."

Privacy settings

The majority of Social Media services will allow its users to decide who can view their activity, and to what degree, through the use of privacy settings. Whilst some users are happy, or otherwise indifferent about who is able to view their information, others prefer to maintain a level of privacy.

Depending on their intentions, many users will purposely use Social Media with no privacy setting applied whatsoever. This could be due to the fact that they are actively promoting something, such as a business or event, and therefore require as many people as possible to be able to view their Social Media profile at all times; others may do so for reasons of self-promotion.

The information publicly available is known as an individual's public profile and the information is "open source".

Persons who operate public profiles on Social Media without any, or only limited, forms of privacy settings do so at their own risk.

Whilst the content or information shared by individuals on Social Media remains the property of that individual, it is nonetheless considered to be in the public domain.

A private profile is one set up on Social Media where an individual sets privacy settings to limit their content, information or interactions according to their requirements.

By setting their profile to private, a user does not allow everyone to access and use their content, and respect should be shown to that person's right to privacy under Article 8 of the Human Rights Act.

What activity is permitted under this policy

For individuals who do have a presence on Social Media, a lot of what is permitted under this policy for use in investigations will depend on whether they have a public or private profile.

In practice, this means that photographs, video content or any other relevant information posted by individuals and businesses to a public profile on any Social Media platform can be viewed, recorded and ultimately used as evidence in legal proceedings, subject to the usual rules of evidence.

When considering what is available on an individual's public Social Media profile, those investigating an offence, or potential offence, should always keep in mind what relevance it has to that investigation. Only information that is relevant to the investigation at hand, and goes some way toward proving the offence, should be gathered. If there is any doubt as to whether something is relevant, then advice should be sought from Legal Services.

What is not permitted under this policy

When it is discovered that an individual under investigation has set their Social Media account to private, Officers should not attempt to circumvent those settings under any circumstances. Such attempts would include, but are not limited to:

- sending "friend" or "follow" requests to the individual
- setting up or using bogus Social Media profiles in an attempt to gain access to the individual's private profile
- contacting the individual through any form of instant messaging or chat function requesting access or information
- asking family, friends, colleagues or any other third party to gain access on their behalf, or otherwise using the Social Media accounts of such people to gain access, or
- any other method which relies on the use of subterfuge or deception

Officers must not use their own personal or private account when accessing social media sites for investigation and evidence gathering purposes. Only Council accounts should be used. Interaction and conversations of any kind should be avoided.

Officers should keep in mind that simply using profiles belonging to others, or indeed fake profiles, in order to carry out investigations does not provide them with any form of true anonymity. The location and identity of an officer carrying out a search can be traced through tracking of IP Addresses, and other electronic identifying markers.

One off visits or infrequent visits to an individual's Social Media profile spread over time cannot be considered "Directed Surveillance" for the purposes of RIPA Legislation. Repeated or frequent visits may cross over into "Directed Surveillance" requiring RIPA Legislation authorisation.

A person's Social Media profile should not, be routinely monitored on a daily or weekly basis, as this will require RIPA Legislation authorisation. If an officer requires more advice on this, they should contact Legal Services for advice.

Each viewing of a company or individual's social media profile for the purpose of

investigation or evidence gathering must be recorded on the case log.

Capturing evidence

Once content available from an individual's Social Media profile has been identified as relevant to the investigation being undertaken, it needs to be recorded and captured for the purposes of producing as evidence at any potential prosecution.

Where evidence takes the form of readable or otherwise observable content, such as text, status updates or photographs, it is acceptable for this to be copied directly from the site, or captured via a screenshot, onto a hard drive or other form of storage device, and subsequently printed to a hard copy. The hard copy evidence should then be exhibited to a suitably prepared witness statement in the normal way.

Where evidence takes the form of audio or video content, then efforts should be made to download onto a hard drive or some other storage device such as a CD or DVD. Those should then be exhibited to a suitably prepared witness statement in the normal way. Any difficulties in downloading this kind of evidence should be brought to the attention of the Council's IT Team.

When capturing evidence from an individual's public Social Media profile, steps should be taken to ensure that all relevant aspects of that evidence are recorded effectively. For example, when taking a screenshot of a person's Social Media profile, the Council Officer doing so should make sure that the time and date are visible on the screenshot in order to prove when the evidence was captured. Likewise, in relation to a specific status update or post published on the individual's profile, steps should be taken to make sure that the date and time of that status update or post is visible within the screenshot. Without this information, the effectiveness of the evidence is potentially lost as it may not be admissible in court.

When capturing evidence from a Social Media profile, steps should be taken to minimise Collateral Intrusion of inadvertently capturing third party information - either before capturing the evidence, or subsequently through redaction. This might be particularly prevalent on Social Media profiles promoting certain events, where users interact with each other by posting messages or photographs where they may make comments.

Retention and destruction of information

Where recorded material (in any form or media) is obtained during the course of an investigation which might be relevant to that investigation, or another investigation, or to pending or future civil or criminal proceedings, then it should not be destroyed, but retained in accordance with the Data Protection Legislation, the Freedom of Information Act 2000, CPIA and any other legal requirements, including those of confidentiality, and the Council's policies and procedures on document retention. Advice should be sought from the Data Protection Officer or Legal Services.

Personal data gathered by the Council is subject to the Data Protection Legislation. When considering whether to retain the data, the Council should:

- review the length of time it keeps personal data;
- consider the purpose(s) it holds the information for in deciding whether (and for how long) to retain it;
- securely delete information no longer needed for these purposes; and
- update, archive or securely delete information if it goes out of date

Due to the nature of Social Media, it is important to remember that when information produced as a hard copy is destroyed in line with this paragraph, that all digital copies of that evidence is likewise destroyed.

Appendix C: Examples to help you decide whether your activities are covered by this policy

Firstly, consider:

- Is it necessary for the operation to be Covert? Could you obtain the evidence without Covert Surveillance? AOs should consider this very seriously because, if found that there was no need for Covert surveillance, the invasion of privacy may be deemed disproportionate to the investigation.
- Overt investigations (i.e., not done in a way calculated to ensure the subject is unaware of the operation) is not subject to the authorisation procedures in this policy. Overt activity includes (but is not limited to) routine patrols, observation at trouble spots, immediate response to events and overt use of CCTV.

Examples:

Does the investigation involve the collection of private information?

Example 1:

Two people talking on the street or in a bus may have a reasonable expectation of privacy over the contents of that conversation even though they are associating in public. The conversation should be considered as private information.

The offence under investigation would need to meet the minimum penalty criteria and a Directed Surveillance authorisation would be necessary to listen in to or record the conversation as part of a specific investigation or authorisation.

(Source: [Covert Surveillance & Property Interference Revised Code of Practice 2018](#))

Example 2:

A surveillance officer intends to record a specific person giving their name and phone number to a shop assistant, in order to confirm their identity, as part of a criminal investigation.

Although the person has disclosed these details in a public place, there is reasonable expectation that the details are not being recorded separately for another purpose. Before proceeding, the IO should make sure the alleged offence meets the minimum penalty criteria and seek a Directed Surveillance authorisation. (Source: *Covert Surveillance and Property Interference Revised Code of Practice 2018*).

Planning Enforcement

Example 3:

Routine activities such as Enforcement Officers looking at new building work, which has not been granted planning permission.

This is not Directed Surveillance but falls under normal enforcement duties. RIPA 2000, section 80 provides a general saving for collecting information by lawful means such as this. However, such routine activities should not develop into Directed Surveillance.

Example 4:

Officers wish to drive past a café to obtain a photo of the exterior.

This is unlikely to require a Directed Surveillance authorisation. However, if the exercise was to establish a pattern of occupancy of the premises by someone, the accumulation of information is likely to result in private information. In the latter case, a Directed Surveillance authorisation would be required, and the offence would need to meet the minimum penalty requirements. ([Covert Surveillance Revised Code of Practice 2018](#)).

Example 5:

You are conducting a site visit in response to a report from a member of the public who suspects a change of use of land, which is likely to involve criminal activity. The circumstances suggest you will need to monitor the site covertly and are likely to obtain private information about the owner and/or collateral information about other users of the site such as workers.

This activity appears to fall within the Directed Surveillance. However, it is not legal to use Covert Surveillance to investigate crimes that would attract a custodial sentence with a minimum term of under six months (unless related to underage sale of alcohol or tobacco). You must therefore find an overt method of dealing with the offence.

Example 6:

You are unable to gather conclusive evidence that illegal activity is taking place on site, but you still suspect that it is. Therefore, you decide to observe the site by driving past it periodically over the next fortnight. If you see unauthorised work taking place you will take a photo – but not covertly.

This does not appear to fall within the definition of either Directed or Covert Human Intelligence Sources. This low-level activity is not subject to the authorisation procedures set out in this policy.

Benefit Fraud

Example 7:

You are investigating an allegation that Mr X is claiming housing and council tax benefit even though he has been working full time for some years. Mr X did not declare on his benefit application that he had been working. You therefore intend to covertly observe him at his alleged employer's address in order to establish if he is working there. The observation will be from a vehicle and will cover a number of days.

This appears to involve systematic surveillance of an individual and falls within the definition of Directed Surveillance, as set out in Appendix B, for the following reasons:

- The surveillance is being carried out for the purposes of a specific investigation into Mr X's alleged benefit fraud.
- The surveillance is of Mr X's personal activities and is therefore likely to produce private information about him.
- The exercise is not an immediate response to events but has been planned in respect of timing and the way in which the surveillance is to be carried out.
- It is likely that collateral material will be gathered

Employer Responsibilities

Example 8:

Recurrent thefts from staff are taking place and after considering the options, it has been suggested that the only recourse is to set up a secret camera covering the work area to catch the culprit "in the act".

Normal business practice (i.e., the responsibilities that all employers would have in relation to staff) are outside of the RIPA Legislation controls. Therefore, the operation would need to be conducted in accordance with the Data Protection Legislation and the Privacy Impact Assessment (PIA) provisions. Use the PIA template available on the Intranet.

You must consider all of the circumstances of the case. But where the aim is to stop the offending behaviour, overt measures (e.g., overt CCTV) may be more Proportionate.

Please note that if a crime on Council premises were being investigated by the police and they are conducting the surveillance, they would be required to authorise the surveillance, not the Council.

Example 9:

A manager has received a report from employee A that employee B is spending hours surfing the internet. The manager requests a printout of employee B's websites visited and times spent on the internet to check whether the allegations are true.

As with the scenario above, this investigation would fall outside RIPA Legislation provisions. The Council has arrangements to ensure any staff investigations involving ICT equipment are necessary and Proportionate. Please use the Council's Privacy Impact Assessment form.

Please note that automatic, untargeted central monitoring of internet/email use carried out by ICT software, which would highlight infringements of the Council's Acceptable Use Policy is allowed under the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000.

Housing Management

Example 10:

A member of the public reports that their neighbour's garden is a health hazard. You visit the site, which contains excessive rubbish and materials clearly likely to be an environmental hazard to the community. As the tenant is not at home, you

photograph the view of the garden from the road. You have not deliberately planned the photo to be taken without the tenant's knowledge and any future surveillance of the site will not be carried out in a manner calculated to ensure that the tenant is unaware of it.

This does not appear to fall within the definition of either Directed Surveillance or Covert Human Intelligence Sources as set out in Appendix A and is therefore not subject to the authorisation procedures in this policy. However, care will be required if photos are taken whilst on the premises as this may in some cases become "Intrusive Surveillance", which the Council does not have the authority to carry out.

If you gather personal data (i.e., that can be used to identify someone), this will be subject to the Data Protection Legislation and would be subject to a Privacy Impact Assessment.

Example 11:

You have received an application for housing by someone claiming to be homeless. However, you have grounds to believe that the claim is fraudulent, so you wish to carry out surveillance of the claimant's suspected residence to establish the truth.

This appears to fall within the definition of Directed Surveillance, as set out in Appendix B, for the following reasons:

- The surveillance is for the purposes of a specific investigation into a fraudulent application.
- The surveillance is likely to produce private information on the applicant as well as collateral information about third parties.
- The exercise is not an immediate response to circumstances but has been planned in respect of timing and the way the surveillance is to be carried out.

However, you would need to consider whether the offence is listed on the statute book as attracting a minimum custodial sentence of six months or more before proceeding with the covert elements of the investigation and applying for authorisation.

Use of CCTV

Example 12:

An officer receives information that an individual suspected of Benefit Fraud will be going to their workplace, in the High Street and within an area monitored by CCTV. The officer wishes to use the CCTV to obtain evidence that the suspect is working.

This is targeted use of the town centre's overt CCTV system, to conduct surveillance against that individual without his knowledge. The IO would need to apply for an authorisation for Directed Surveillance.

If you are investigating a serious criminal matter and you are unsure if your surveillance activity falls under RIPA Legislation, you should apply for authorisation in order to avoid any claim that the Council has infringed anyone's Human Rights, which could disqualify the evidence from being permitted in court.

Appendix D: Forms

Please check you are using the correct forms. The latest versions of the forms listed below should be downloaded from the Home Office.

RIPA forms: [RIPA forms - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

Application for use of Directed Surveillance - [application-directed-surveillanc.doc \(live.com\)](#)

Review of use of Directed Surveillance - [review-directed-surveillance.doc \(live.com\)](#)

Renewal form for Directed Surveillance - [renewal-directed-surveillance.doc \(live.com\)](#)

Cancellation of use of Directed Surveillance - [cancellation-directed-surveillan.doc \(live.com\)](#)

Application for the use of covert human intelligence sources (CHIS) - [chis-application.doc \(live.com\)](#)

Reviewing the use of covert human intelligence sources (CHIS) - [chis-review.doc \(live.com\)](#)

Renewal of authorisation to use covert human intelligence sources (CHIS) - [chis-renewal.doc \(live.com\)](#)

Cancellation of covert human intelligence sources (CHIS) - [chis-cancellation.doc \(live.com\)](#)

Application to Magistrates: [approval-order-form.doc \(live.com\)](#)

Coded of Practice can be accessed here :[RIPA codes - GOV.UK \(www.gov.uk\)](#)

Error reporting form can be accessed through IPCO or here :[IPCO Error Report Form.pdf](#)

NAFN website can be accessed here: [NAFN - National Anti-Fraud Network](#)

Agents Agreement Form - Please see Page 39

REGULATION OF INVESTIGATORY POWERS ACT 2000

AGENT'S AGREEMENT FORM

I(insert Agent's name)

of

.....(address)

confirm that in relation to

.....
.....
.....
.....
.....
.....
.....

.....(name or description of the surveillance)

I agree to comply with the Regulation of Investigatory Powers Act 2000, with all statutory provisions, statutory Codes of Practice and with Waverley and Guildford Borough Council's Policy and Social Media Guidance when undertaking any and all surveillance authorised by Waverley or Guildford Borough Council under the Regulation of Investigatory Powers Act 2000.

I acknowledge receipt of a copy of the Council's Authorisation Form reference numberdated the.....

and I agree not to carry out any surveillance that is contrary to this authorisation.

Signed.....Dated.....
.....

Covert Surveillance and Investigative Powers Policy and Procedure agreed and signed by:

Executive Head of Legal & Democratic Services Guildford and Waverley Borough Councils

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Guildford Borough Council

Report to: Corporate Governance and Standards Committee

Date: 27 July 2023

Ward(s) affected: n/a

Report of Director: Transformation & Governance

Author: John Armstrong, Democratic Services & Elections Manager

Tel: 01483 444102

Email: john.armstrong@guildford.gov.uk

Report Status: Open

Corporate Governance and Standards Committee – 12 month rolling Work Programme

1. Executive Summary

- 1.1 The Committee is asked to consider its 12-month rolling work programme, which is set out in Appendix 1.

2. Recommendation to Committee

- 2.1 That the Committee considers and approves its updated 12 month rolling work programme, as detailed in Appendix 1 to this report.

3. Reason(s) for Recommendation:

- 3.1 To allow the Committee to maintain and update its work programme.

4. Exemption from publication

- 4.1. This report and any part of it is not exempt from publication.

5. Purpose of Report

- 5.1 The draft work programme attached as Appendix 1 sets out the items scheduled to be considered by this Committee at its meetings over the next 12 months.

6. Draft work programme

- 6.1 The draft work programme for the Corporate Governance and Standards Committee is set out in Appendix 1 to this report. The timing of the reports contained in the work programme is subject to change, in consultation with the chairman. The items to be considered include decisions to be made by the Executive and/or full Council, with consideration of any comments or recommendations made by this Committee.

7. Financial Implications

- 7.1 There are no financial implications arising directly from this report.

8. Legal Implications

- 8.1 There are no legal implications arising directly from this report.

9. Human Resource Implications

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

10. Background Papers

None

11. Appendices

Appendix 1: Corporate Governance and Standards Committee 12 month rolling work programme

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

28 September 2023

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Capital and Investment Outturn Report 2022-23	To submit any comments to the Executive, prior to determination by full Council.	Council: 5 December 2023 On the recommendation of: Corporate Governance and Standards Committee Executive: 19 October 2023	Victoria Worsfold 01483 444834
Revenue Outturn Report 2022-23	To submit any comments to the Executive.	Executive: 19 October 2023 On the recommendation of: Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Housing Revenue Account Final Accounts 2022-23	To submit any comments to the Executive	Executive: 19 October 2023 On the recommendation of: Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Financial Monitoring 2023- 24 Period 4 (April to July 2023)	To note the results of the Council's financial monitoring for the period April to July 2023	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Annual Governance Statement 2022-23	To adopt the Council's Annual Governance Statement 2022-23	Corporate Governance and Standards Committee On the recommendation of: Executive: 21 September 2023	Victoria Worsfold 01483 444834

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Councillor Training and Development Update	To consider a report from the Councillors' Development Steering Group relating to councillor training and development	Corporate Governance and Standards Committee	Sophie Butcher 01483 444056
Data Protection and Information Security Update Report	To consider the annual update on compliance with statutory requirements	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Annual Report of the Corporate Governance & Standards Committee	To consider the Annual Report for 2022-23	Council: 10 October 2023 On the recommendation of: Corporate Governance and Standards Committee	John Armstrong 01483 444102
Whistle-blowing Policy	To consider the Annual Report 2022-23 and the review of the current Policy	Executive: 19 October 2023 On the recommendation of: Corporate Governance and Standards Committee (review of Policy)	Susan Sale 01483 444022

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

16 November 2023

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Financial Monitoring 2023-24: Period 6 (April to September 2023)	To note the results of the Council's financial monitoring for the period April to September 2023	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Internal audit progress report (April to November 2023)	To consider the internal audit progress report and progress on the internal audit plan for April to November 2023	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Corporate Risk Register	To consider the six-monthly review of the Corporate Risk Register	Corporate Governance and Standards Committee	Andrea Barnett 01483 444062
Regulation of Investigatory Powers Act 2000	To consider an annual report on the exercise of powers under the Regulation of Investigatory Powers Act 2000	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Freedom of Information Compliance update	To consider the update report on the Council's performance in dealing with Freedom of Information requests (April to September 2023)	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

18 January 2024

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Capital and investment strategy (2024-25 to 2027-28)	To comment on various recommendations to the Executive and Council	Council: 7 February 2024 On the recommendation of: Corporate Governance and Standards Committee Executive: 25 January 2024	Victoria Worsfold 01483 444834
Financial Monitoring 2023-24 Period 8 (April to November 2023)	To note the results of the Council's financial monitoring for the period April to November 2023	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Summary of Internal Audit Reports (April to December 2023)	To consider the summary of internal audit reports for the period April to December 2022.	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Safeguarding	To consider report detailing progress against the approved Strategic Safeguarding Group Action Plan 2023-24	Corporate Governance and Standards Committee	Sam Hutchison Tel: 01483 444385
Monitoring of S.106 Contributions	To note the six-monthly monitoring report on S.106 Contributions	Corporate Governance and Standards Committee	Rosie Trussler 01483 444463

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

(Wednesday) 13 March 2024

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Annual report of the Monitoring Officer regarding misconduct allegations	(1) To note the cases dealt with; and (2) To advise the Monitoring Officer of any areas of concern upon which they would like further information and/or further work carried out.	Corporate Governance and Standards Committee	Monitoring Officer 01483 444991
Financial Monitoring 2023-24 Period 10 (April 2023 to January 2024)	To note the results of the Council's financial monitoring for period April 2023 to January 2024	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Summary of Internal Audit Reports (April 2023 to March 2024)	To consider the summary of internal audit reports for the period April 2023 to March 2024, and the draft 2024-25 internal audit plan, including head of internal audit opinion.	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Equality Scheme Action Plan	Annual monitoring report on the implementation of the actions in the Equality Scheme action plan approved in June 2021	Corporate Governance and Standards Committee	Ali Holman 01483 444008

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

June 2024

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Review of Task Groups reporting to the Committee	To review the work carried out by the task groups over the past 12 months and work to be carried put in the next 12 months and appoint councillors to the groups	Corporate Governance and Standards Committee	John Armstrong 01483 444102
Freedom of Information Compliance - Annual Report 2023-24	To consider the annual report for 2023-24 on the Council's performance in dealing with Freedom of Information requests.	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Monitoring of S.106 Contributions	To note the six-monthly monitoring report on S.106 Contributions	Corporate Governance and Standards Committee	Rosie Trussler 01483 444463
Planning Appeals	To consider the annual monitoring report of the Council's performance at appeals against refusal of planning permission.	Corporate Governance and Standards Committee	Claire Upton-Brown 01483 444316
External Audit Plan and Audit Update and Fee Letter 2022-23	To approve the external audit plan for 2022-23, and to note the content of the External Auditor's update report and make any appropriate comments. To consider the planned audit fee.	Corporate Governance and Standards Committee	To be confirmed
Corporate Risk Register	To consider the six-monthly review of the Corporate Risk Register	Corporate Governance and Standards Committee	Andrea Barnett 01483 444062

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

July 2024

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Capital and Investment Outturn Report 2023-24	To submit any comments to the Executive, prior to determination by full Council.	Council: October 2024 On the recommendation of: Corporate Governance and Standards Committee Executive: August 2024	Victoria Worsfold 01483 444834
Revenue Outturn Report 2023-24	To submit any comments to the Executive.	Executive: August 2024 On the recommendation of: Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Housing Revenue Account Final Accounts 2023-24	To submit any comments to the Executive	Executive: August 2024 On the recommendation of: Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Financial Monitoring 2024-25 Period 2 (April/May 2024)	To note the results of the Council's financial monitoring for the period April/May 2024	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Summary of Internal Audit Reports April to June 2024	To consider the summary of internal audit reports for the period April to June 2024.	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Annual Governance Statement 2023-24	To adopt the Council's Annual Governance Statement 2023-24	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
		On the recommendation of: Executive: July 2024	

Unscheduled

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
2021-22 Audit Findings Report: Year ended 31 March 2022	To note the external auditor’s findings and management’s response in the Action Plan	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Final 2021-22 Audited Statement of Accounts	To approve the 2021-22 Statement of Accounts	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
External Audit Plan and Audit Update and Fee Letter 2021-22	To approve the external audit plan for 2021-22, and to note the content of the External Auditor’s update report and make any appropriate comments. To consider the planned audit fee.	Corporate Governance and Standards Committee	To be confirmed
External Audit Plan and Audit Update and Fee Letter 2022-23	To approve the external audit plan for 2022-23, and to note the content of the External Auditor’s update report and make any appropriate comments. To consider the planned audit fee.	Corporate Governance and Standards Committee	To be confirmed