



[www.guildford.gov.uk](http://www.guildford.gov.uk)

Contact Officer:

John Armstrong, Democratic Services Manager  
Tel: 01483 444102

22 November 2017

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 30 NOVEMBER 2017 at 7.00 pm.**

Yours faithfully

James Whiteman  
Managing Director

**MEMBERS OF THE COMMITTEE**

Chairman: Councillor Gordon Jackson  
Vice-Chairman: Councillor Jo Randall

Councillor Alexandra Chesterfield	+Mrs Maria Angel
Councillor Colin Cross	^Mr Charles Hope
Councillor Mike Hurdle	^Ms Geraldine Reffo
Councillor Nigel Kearse	^Mr Ian Symes
Councillor Nigel Manning	

\*Independent member

^ Parish member

**Authorised Substitute Members:**

Councillor Richard Billington	Councillor Christian Holliday
Councillor Andrew Gomm	Councillor Susan Parker
Councillor David Goodwin	Councillor David Reeve
Councillor Liz Hogger	Councillor Caroline Reeves

**WEBCASTING NOTICE**

This meeting will be recorded for live and/or subsequent broadcast on the Council's website. 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 make a representation to the meeting you will be deemed to have consented to being recorded. By entering the Council Chamber, you are also consenting to being recorded and to the possible use of those images and sound recordings for webcasting and/or training purposes. If you have any queries regarding webcasting of meetings, please contact Committee Services on 01483 444102.

**QUORUM 3**



## THE COUNCIL'S STRATEGIC FRAMEWORK

### Vision – for the borough

For Guildford to be a town and rural borough that is the most desirable place to live, work and visit in South East England. A centre for education, healthcare, innovative cutting-edge businesses, high quality retail and wellbeing. A county town set in a vibrant rural environment, which balances the needs of urban and rural communities alike. Known for our outstanding urban planning and design, and with infrastructure that will properly cope with our needs.

### Five fundamental themes that support the achievement of our vision:

- **Our Borough** - ensuring that proportional and managed growth for future generations meets our community and economic needs
- **Our Economy** - improving prosperity for all by enabling a dynamic, productive and sustainable economy that provides jobs and homes for local people
- **Our Infrastructure** - working with partners to deliver the massive improvements needed in the next 20 years, including tackling congestion issues
- **Our Environment** - improving sustainability and protecting our countryside, balancing this with the needs of the rural and wider economy
- **Our Society** - believing that every person matters and concentrating on the needs of the less advantaged

**Your Council** – working to ensure a sustainable financial future to deliver improved and innovative services

### Values for our residents

- We will strive to be the best Council.
- We will deliver quality and value for money services.
- We will help the vulnerable members of our community.
- We will be open and accountable.
- We will deliver improvements and enable change across the borough.

### Mission – for the Council

A forward looking, efficiently run Council, working in partnership with others and providing first class services that give our society value for money, now and for the future.

## 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.

**3 MINUTES (Pages 1 - 4)**

To confirm the minutes of the meeting of the Corporate Governance and Standards Committee held on 21 September 2017.

**4 ANNUAL AUDIT LETTER 2016-17 (Pages 5 - 20)**

**5 SUMMARY OF INTERNAL AUDIT REPORTS (APRIL TO SEPTEMBER 2017) (Pages 21 - 30)**

**6 FINANCIAL MONITORING 2017-18: PERIOD 6 (APRIL TO SEPTEMBER 2017) (Pages 31 - 88)**

**7 GENERAL DATA PROTECTION REGULATION - UPDATE (Pages 89 - 92)**

**8 WORK PROGRAMME (Pages 93 - 96)**

This page is intentionally left blank

## **CORPORATE GOVERNANCE AND STANDARDS COMMITTEE**

21 September 2017

- \* Councillor Gordon Jackson (Chairman)
- \* Councillor Jo Randall (Vice-Chairman)

- |                                     |                      |
|-------------------------------------|----------------------|
| * Councillor Alexandra Chesterfield | Mrs Maria Angel      |
| * Councillor Colin Cross            | * Mr Charles Hope    |
| * Councillor Mike Hurdle            | * Ms Geraldine Reffo |
| * Councillor Nigel Kearse           | * Mr Ian Symes       |
| * Councillor Nigel Manning          |                      |

\*Present

The Lead Councillor for Finance and Asset Management, Councillor Michael Illman was also in attendance.

### **CGS21 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

An apology for absence was received from Mrs Maria Angel.

### **CGS22 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS**

There were no disclosures of interest.

### **CGS23 MINUTES**

The Committee confirmed as a correct record the minutes of the meeting held on 27 July 2017. The Chairman signed the minutes.

### **CGS24 2016-17 AUDIT FINDINGS REPORT: YEAR ENDED 31 MARCH 2017**

The Committee considered the Audit Findings report from the Council's external auditors (Grant Thornton), which set out their opinion on the Council's Financial Statements for 2016-17, and gave a conclusion on the Council's arrangements for ensuring value for money in the use of resources.

The Committee noted that the auditors had not found any misstatements that affected the primary financial statements or financial position of the Council. They had, however, found one misstatement, relating to the gross value and accumulated depreciation value of property plant and equipment stated in the disclosure notes of the accounts. As the net value of plant property and equipment, as shown in the balance sheet, was not affected, officers had chosen not to adjust the misstatement and would amend the records for the 2017-18 accounts. The auditors had also identified some improvements to disclosure notes, which had been amended for the final set of accounts.

The auditors proposed to give an unqualified Value for Money conclusion. Their recommendations relating to value for money were included in the action plan attached to their report. The recommendations related to the work of the newly formed Transformation Board and the profiling of the Council's capital projects.

The Chairman of the Corporate Governance and Standards Committee was 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 was attached to the Supplementary Information sheet circulated to the Committee at the meeting.

The Committee

RESOLVED:

- (1) That Grant Thornton's Audit Findings report attached as Appendix 1 to the report submitted to the Committee, and the management responses provided in the action plan (as set out in Appendix A to Appendix 1) be noted.
- (2) That the letter of representation, as set out in Appendix 2 to the report, be approved, and that the Chairman be authorised to sign the letter on the Council's behalf.

Reason for Decision:

To allow the external auditor to issue his opinion on the 2016-17 accounts.

**CGS25 2016-17 AUDITED STATEMENT OF ACCOUNTS**

The Committee considered the Audited Statement of Accounts for 2016-17. No changes had been made to the primary financial statements during the audit; although some items required changes to notes to those financial statements. Of the changes required, the majority were minor and presentational in nature. These had been outlined in the Audit Findings report. The Statement of Accounts appended to the report included the changes.

Comments from the Committee raised a number of mainly presentational queries, none of which affected the veracity of the Statement of Accounts.

The Committee

RESOLVED:

- (1) That the audited Statement of Accounts for 2016-17, as set out in Appendix 1 to the report submitted to the Committee, be approved.
- (2) That the Chairman of the Committee be authorised to sign the official copy of the accounts to state that they are approved.

Reason for Decision:

To comply with the Accounts and Audit Regulations 2015 to approve the statutory Statement of Accounts by 30 September.

**CGS26 FINANCIAL MONITORING 2017-18 PERIOD 3 (APRIL TO JUNE 2017)**

The Committee considered a report that set out the financial monitoring position for the period April to July 2017.

The report summarised the projected outturn position for the Council's general fund revenue account, based on actual and accrued data for the period April to June 2017, with the outcome of budget monitoring on key services for the period April to July 2017 overlaid to form a hybrid report. Officers were projecting a reduction in net expenditure on the general fund revenue account of £560,823 (representing 1.26% of the Council's original net budget). This was the result of a combination of factors, which included an increase in interest on investments, reduction in employee expenditure across all services, higher than assumed levels of grant support and a reduction in the statutory Minimum Revenue Provision (MRP) charge to the General Fund to make provision for the repayment of past capital debt. This lower than budgeted MRP charge reflected a re-profiling of capital schemes, which also had a positive impact on the level of cash balances and assumed external borrowing costs, which had combined to produce higher than budgeted net interest receipts.

A surplus on the Housing Revenue Account, due to lower staffing and repairs and maintenance costs would enable a projected transfer of £8.76 million to the new build reserve and reserve for future capital at year-end. This transfer was £537,128 higher than budgeted.

Officers were making progress against significant capital projects on the approved programme as outlined in section 7 of the report. The Council was now expected to spend £76.1 million on its capital schemes by the end of the financial year.

The Council's underlying need to borrow to finance the capital programme was expected to be £52 million by 31 March 2018, against an estimated position of £87.7 million. The lower underlying need to borrow was a result of slippage on both the approved and provisional capital programme, as detailed in the report.

The Council held £144.1 million of investments and £250.3 million of external borrowing as at 30 June 2017, which included £193 million of Housing Revenue Account loans. Officers confirmed that the Council had complied with its Prudential indicators in the period, which were set in February 2017 as part of the Council's Treasury Management Strategy.

The Lead Councillor for Finance and Asset Management commented that the report reflected the Council's strong financial position, together with the ambitious Corporate Plan and capital programme demonstrating the Council's commitment to investing in the Borough.

In relation to the major service variations and, in particular, the higher net cost of £625,000 associated with The Village, the Committee noted that best projections for income forecasts provided by consultants at the beginning of the Village project had been based on unit rentals in the region of £400 per week with 90% occupancy, operating 364 days in the year. Unfortunately, those projections could not be achieved. More details on the financial performance of The Village project would be presented in separate reports to Overview and Scrutiny Committee on 14 November, Executive on 28 November and full Council on 5 December 2017.

Having considered the report, the Committee

RESOLVED:

That the results of the Council's financial monitoring for the period April to June 2017, and the update on key services for the period April to July 2017, be noted.

Reason for Decision:

To allow the Committee to undertake its role in scrutinising the Council's finances.

## **CGS27 GENERAL DATA PROTECTION REGULATION: GOVERNANCE ARRANGEMENTS**

The Committee noted that the Data Protection Act 1998 currently regulated how the Council used and stored the personal data of its customers and staff. An EU Directive, the General Data Protection Regulation (GDPR) would replace the Data Protection Act. The GDPR sets out how organisations can collect and use personal data. The GDPR comes into force on 25 May 2018. Before then, the UK Parliament would pass a new law so that the GDPR applied in the UK.

The GDPR applied to organisations that provide goods or services to individuals in the EU. This included organisations outside the EU that want to provide goods or services within the EU. The GDPR (and the new law) would continue to apply in the UK after the UK leaves the EU.

The Committee received a report which set out the suggested governance structure to oversee the implementation and ongoing maintenance of GDPR within the Council.

Agenda item number: 3

The Committee

RESOLVED:

That the Governance structure and the Officer Project Board's approach to implementing the General Data Protection Regulation, as set out in Appendix 1 to the report submitted to the Committee, be approved.

Reason for Decision:

To comply with the requirements of the GDPR by 25 May 2018.

**CGS28 COUNCILLOR TRAINING AND DEVELOPMENT UPDATE**

The Committee considered a report outlining the work undertaken by the Councillor Development Steering Group to date, including the feedback from councillors in respect of training events held during the year and the ongoing training and development programme. The report also outlined the work being carried out in terms of developing a dedicated microsite on the Council's website for prospective candidates that want to become a councillor, and the recent provision of an online e-learning management system for councillors.

The Committee

RESOLVED:

That the valuable work being undertaken by the Councillor Development Steering Group in developing a clear structured plan for councillor development that responds both to the Council's corporate priorities and councillors' individual training needs, be noted.

Reason for Decision:

To recognise the importance the Council attaches to councillors' training and development.

**CGS29 WORK PROGRAMME**

The Committee, having considered its updated work programme for the remainder of the 2017-18 municipal year,

RESOLVED:

That the updated work programme for 2017-18, as set out in Appendix 1 to the report submitted to the Committee, be approved.

Reason for Decision:

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

The meeting finished at 8.07 pm

Signed .....

Chairman

Date .....



Corporate Governance and Standards Committee Report

Ward(s) affected: All

Report of the Chief Finance Officer

Author: Claire Morris, Head of Financial Services

Tel: 01483 444827

Email: claire.morris@guildford.gov.uk

Lead Councillor responsible: Michael Illman

Tel: 07742 731535

Email: michael.illman@guildford.gov.uk

Date: 30 November 2017

## Annual Audit Letter 2016-17

### Executive Summary

The external audit for 2016-17 is complete and the independent auditor has now issued their Annual Audit Letter. The letter is attached at Appendix 1. The Annual Audit Letter includes findings and recommendations that were raised in the Audit Findings Report, which was presented to Corporate Governance and Standards Committee on 21 September 2017.

The Annual Audit Letter will be referred to the Executive on 2 January 2018 for formal approval.

### Recommendation to Committee

That the Annual Audit Letter for 2016-17 be commended to the Executive for approval.

### Reason for Recommendation:

To approve the Annual Audit Report

### 1. Purpose of Report

- 1.1 The report will introduce the Annual Audit Letter received from Grant Thornton, our external auditors

### 2. Strategic Priorities

- 2.1 Good financial management underpins all that the Council does and helps to achieve the priorities set down in the Corporate Plan.

### 3. Background

- 3.1 **Appendix 1** attached is the Annual Audit Letter from Grant Thornton. Within the letter, they refer to the Audit Findings Report that the Corporate Governance and Standards Committee considered on 21 September 2017.

- 3.2 The Annual Audit Letter summarises the key findings arising from:
- (a) auditing the 2016-17 accounts and Whole of Government Accounts return
  - (b) assessing the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources
  - (c) certification of grants claims and returns.
- 3.3 The Council received an unqualified opinion on the accounts and its arrangements for securing economy, efficiency and effectiveness and an assurance statement on the Whole of Government Accounts.
- 3.4 The auditors are still working on the housing benefit grant claim and will report the findings of the audit to the Committee, in their annual certification letter later in the year.

#### **4 Equality and Diversity Implications**

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

#### **5. Financial Implications**

- 5.1 There are no financial implications arising as a result of this report.

#### **6. Legal Implications**

- 6.1 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 within governance. In the Council's case, this is the Corporate Governance and Standards Committee.

#### **7. Human Resource Implications**

- 7.1 There are no human resource implications arising as a result of this report

#### **8. Conclusion**

- 8.1 The Council received an unqualified opinion on its accounts for 2016-17 and its arrangements for securing economy, efficiency and effectiveness. We also received an assurance statement on our Whole of Government Accounts submission

#### **9. Background Papers**

None

#### **10. Appendices**

Appendix 1: Grant Thornton: Annual Audit Letter Year ended 31 March 2017

# The Annual Audit Letter for Guildford Borough Council

# DRAFT

This version of the report is a draft. Its contents and subject matter remain under review and its contents may change and be expanded as part of the finalisation of the report.

**Year ended 31 March 2017**

October 2017

**Elizabeth Jackson**

Engagement Lead

T +44 (207) 7283329

E Elizabeth.I.Jackson@uk.gt.com

**Marcus Ward**

Engagement Manager

T +44 (207) 7283350

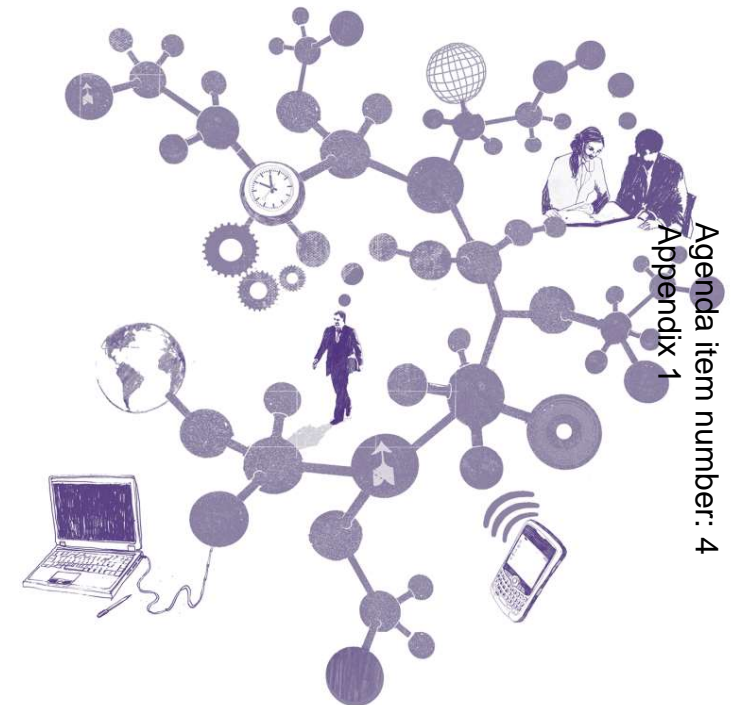
E Marcus.Ward@uk.gt.com

**Sebastian Evans**

Assistant Manager

T +44 (207) 7283451

E sebastian.evans@uk.gt.com



Agenda item number: 4  
Appendix 1

# Contents

<b>Section</b>	<b>Page</b>
1. Executive summary	3
2. Audit of the accounts	4
3. Value for Money conclusion	9
<b>Appendices</b>	
A Reports issued and fees	

Agenda item number: 4  
Appendix 1

## Executive summary

### Purpose of this letter

Our Annual Audit Letter (Letter) summarises the key findings arising from the work we have carried out at Guildford Borough Council (the Council) for the year ended 31 March 2017.

This Letter provides a commentary on the results of our work to the Council and its external stakeholders, and highlights issues we wish to draw to the attention of the public. In preparing this letter, we have followed the National Audit Office (NAO)'s Code of Audit Practice (the Code) and Auditor Guidance Note (AGN) 07 – 'Auditor Reporting'.

We reported the detailed findings from our audit work to the Council's Corporate Governance and Standards Committee (as those charged with governance) in our Audit Findings Report on 21 September 2017.

### Our responsibilities

We have carried out our audit in accordance with the NAO's Code of Audit Practice, which reflects the requirements of the Local Audit and Accountability Act 2014 (the Act). Our key responsibilities are to:

- give an opinion on the Council's financial statements (section two)
- assess the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion) (section three).

In our audit of the Council's financial statements, we comply with International Standards on Auditing (UK and Ireland) (ISAs) and other guidance issued by the NAO.

### Our work

#### Financial statements opinion

We gave an unqualified opinion on the Council's financial statements on 29 September 2017.

#### Value for money conclusion

We were satisfied that the Council put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources during the year ended 31 March 2017. We reflected this in our audit opinion on 29 September 2017.

#### Certificate

We certified that we had completed the audit of the accounts of Guildford Borough Council in accordance with the requirements of the Code on 29 September 2017.

#### Certification of grants

We also carry out work to certify the Council's Housing Benefit subsidy claim on behalf of the Department for Work and Pensions. Our work on this claim is not yet complete and will be finalised by 30 November 2017. We will report the results of this work to the Corporate Governance and Committee in our Annual Certification Letter.

### Working with the Council

Further progress was made by the Council with respect to the implementation of the Early Close of accounts. We will be liaising with the Council as the 2017/18 audit year approaches to ensure a continued streamlined approach between external audit and the Council ahead of next years move to 31 July audit deadline.

We would like to record our appreciation for the assistance and co-operation provided to us during our audit by the Council's staff.

**Grant Thornton UK LLP**  
**October 2017**

# Audit of the accounts

## Our audit approach

### Materiality

In our audit of the Council's accounts, we applied the concept of materiality to determine the nature, timing and extent of our work, and to evaluate the results of our work. We define materiality as the size of the misstatement in the financial statements that would lead a reasonably knowledgeable person to change or influence their economic decisions.

We determined materiality for our audit of the Council's accounts to be £2,200,000, which is 2% of the Council's gross revenue expenditure. We used this benchmark, as in our view, users of the Council's accounts are most interested in how it has spent the income it has raised from taxation and grants during the year.

We set a lower threshold of £110,000 above which we reported errors to the Corporate Governance and Standards Committee in our Audit Findings Report.

### The scope of our audit

Our audit involves obtaining enough evidence about the amounts and disclosures in the financial statements to give reasonable assurance they are free from material misstatement, whether caused by fraud or error. This includes assessing whether:

- the Council's accounting policies are appropriate, have been consistently applied and adequately disclosed;
- significant accounting estimates made by management are reasonable; and
- the overall presentation of the financial statements gives a true and fair view.

We also read the narrative report and annual governance statement to check they are consistent with our understanding of the Council and with the accounts included in the Statement of Accounts on which we gave our opinion.

We carry out our audit in line with ISAs (UK and Ireland) and the NAO Code of Audit Practice. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach was based on a thorough understanding of the Council's business and is risk based.

We identified key risks and set out overleaf the work we performed in response to these risks and the results of this work.

# Audit of the accounts

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p><b>Valuation of pension fund net liability</b></p> <p>The Council's pension fund net liability, as reflected in its balance sheet, represents a significant estimate in the financial statements.</p>	<p>As part of our audit work we:</p> <ul style="list-style-type: none"> <li>documented the key controls that were put in place by management to ensure that the pension fund liability and associated transactions were not materially misstated.</li> <li>walked through the key controls to assess whether they were implemented as expected to mitigate the risk of material misstatement in the financial statements.</li> <li>reviewed the competence, expertise and objectivity of the actuary who carried out the valuation of the Council's pension fund asset and liability, including using an auditor's expert to give comfort over the key assumptions used in the valuation.</li> <li>obtained assurance from the auditor of Surrey pension fund that controls around the inputs into the valuation were operating effectively to prevent material misstatement.</li> <li>gained an understanding of the basis on which the IAS 19 valuation was carried out, undertaking procedures to confirm the reasonableness of the actuarial assumptions made.</li> <li>ensured that transactions and balances relating to the pension fund asset and liability and disclosures in notes to the financial statements were consistent with the valuation report from your actuary and properly processed in your financial statements.</li> </ul>	<p>Our audit work has not identified any issues in respect of the valuation of the pension fund net liability, or of transactions and disclosures relating to it in the financial statements.</p>

Page 11

Agenda item number: 4  
Appendix 1

## Audit of the accounts

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work.

Agenda item number: 4  
Appendix 1

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p><b>Valuation of surplus assets and investment property / revaluation measurements not correct</b></p> <p>The Council revalues its assets on a rolling basis over a five year period. The Code requires that the Council ensures that the carrying value at the balance sheet date is not materially different from the current value. This represents a significant estimate by management in the financial statements.</p>	<p>As part of our audit work we have</p> <ul style="list-style-type: none"> <li>• identified and documented the controls put in place by management to ensure that the revaluation process does not give rise to a material misstatement.</li> <li>• reviewed management’s processes and assumptions for the calculation of the estimate, reviewing the competence, expertise and objectivity of management’s valuation experts; and reviewing the instructions issued to the valuation experts and the scope of their work</li> <li>• discussed with the valuer the basis on which the valuation was carried out and challenged the reasonableness of the key assumptions and why other assumptions were not used</li> <li>• reviewed and tested the information provided by management to the valuer in calculating the estimate to ensure it was robust and consistent with our knowledge of the assets being valued</li> <li>• tested the revaluations made during the year to ensure they were input correctly into the Council’s asset register, and appropriate accounting entries were made in the financial statements</li> <li>• reviewed the disclosures made by the Council in its financial statements to ensure they were in accordance with the requirements of the CIPFA Code of Practice and IFRS 13</li> </ul>	<p>Our audit work has not identified any issues in respect of the valuation of surplus asset and investment property / the appropriateness of revaluation measurements.</p>



# Audit of the accounts

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p><b>Changes to the presentation of local authority financial statements</b></p> <p>CIPFA has been working on the 'Telling the Story' project, for which the aim was to streamline and improve accessibility to the user and this has resulted in changes to the 2016/17 CIPFA Code of Practice.</p>	<p>As part of our audit work we have</p> <ul style="list-style-type: none"> <li>documented and evaluated the process for recording the required financial reporting changes to the 2016/17 financial statements</li> <li>reviewed the re-classification of the Comprehensive Income and Expenditure Statement (CIES) comparatives to ensure that they are in line with the Council's internal reporting structure</li> <li>reviewed the appropriateness of the revised grouping of entries within the Movement in Reserves Statement (MIRS)</li> <li>tested the classification of income and expenditure for 2016/17 recorded within the Cost of Services section of the CIES</li> <li>tested the completeness of income and expenditure by reviewing the reconciliation of the CIES to the general ledger</li> <li>tested the classification of income and expenditure reported within the new Expenditure and Funding Analysis (EFA) note to the financial statements</li> <li>reviewed the new segmental reporting disclosures within the 2016/17 financial statements to ensure compliance with the CIPFA Code of Practice.</li> </ul>	<p>Our audit work has not identified any issues in respect of the changes to the presentation of the financial statements.</p>

# Audit of the accounts

## Audit opinion

We gave an unqualified opinion on the Council's accounts on 29 September 2017, in advance of the 30 September 2017 national deadline.

The Council made the accounts available for audit in line with the agreed timetable, and provided a good set of supporting working papers. The finance team responded promptly and efficiently to our queries during the audit.

## Issues arising from the audit of the accounts

We reported the key issues from our audit of the accounts of the Council to the Council's Corporate Governance and Standards Committee on 21 September 2017.

We did not identify any amendments needed to the primary statements, but agreed some changes to disclosure notes and the presentation of information.

We identified and reported a control issue around the completeness of disposals for property, plant and equipment. We made a recommendation around this point in our Audit Findings Report.

## Annual Governance Statement and Narrative Report

We are required to review the Council's Annual Governance Statement and Narrative Report. It published them on its website with the draft accounts in line with the national deadlines.

Both documents were prepared in line with the relevant guidance and were consistent with the supporting evidence provided by the Council and with our knowledge of the Council.

## Other statutory duties

We also have additional powers and duties under the Act, including powers to issue a public interest report, make written recommendations, apply to the Court for a declaration that an item of account is contrary to law, and to give electors the opportunity to raise questions about the Council's accounts and to raise objections received in relation to the accounts.

We received no objections or questions on the accounts and had no cause to use our statutory duties.

# Value for Money conclusion

## Background

We carried out our review in accordance with the NAO Code of Audit Practice (the Code), following the guidance issued by the NAO in November 2016 which specified the criterion for auditors to evaluate:

*In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.*

## Key findings

Our first step in carrying out our work was to perform a risk assessment and identify the key risks where we concentrated our work.

The key risks we identified and the work we performed are set out in table 2 overleaf.

As part of our Audit Findings report agreed with the Council in September 2017, we agreed recommendations to address our findings, being:

- that the newly established Transformation Board consider ways in which its work can be more explicitly aligned to existing Risk reporting, and that progress on existing savings plans is monitored in greater detail
- that the Council consider ways in which the timing of expenditure can be predicted more effectively

## Overall VfM conclusion

We are satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2017.

# Value for Money

Table 2: Value for money risks

Risk identified	Work carried out	Findings and conclusions
<p><b>General Fund capital programme</b> The Council has approved a General Fund Capital Programme for the five years to 2021/22. This is an area of considerable spend, with a net cost to the Council of £125 million, and involves decision making against a backdrop of many variables. The execution and timing of capital expenditure may also have revenue implications.</p> <p style="text-align: center;">Page 16</p>	<p>We reviewed the Council's capital programme to establish the arrangements the Council has in place to realistically forecast and monitor capital expenditure and associated revenue implications.</p>	<p>The risk of adverse cash flow driven by 'unused' interest finance expenditure is mitigated somewhat by the fact that financing is generally sought at the completion of a purchase, and not in advance.</p> <p>The capital programme is re-profiled on a rolling basis. While there has been a significant increase in the size of the capital programme year on year (£98m, £64m and £44m planned, £54m, £33m and £32m actual spend, in 2016/17, 2015/16 and 2014/15 respectively) there remains a degree of underspend, which can have potential implications on budget monitoring and, where applicable, working with external partners.</p> <p>While underspend in capital programmes is a common feature among local authorities, there may be scope for the Council to consider ways in which the timing of expenditure can be predicted more effectively.</p> <p><b>On that basis we concluded that the risk was sufficiently mitigated and the Council has proper arrangements.</b></p> <p>We recommended that the Council consider ways in which the timing of expenditure can be predicted more effectively.</p>
<p><b>Medium term financial planning</b> The Council has identified a cumulative gap of some £7.1m between projected resources and budgeted expenditure over the four years to 2020/21. In part this relies on continuing to deliver the budgeted level of savings from existing projects.</p>	<p>We reviewed the project management and risk assurance frameworks established by the Council to establish how it is identifying, managing and monitoring these risks.</p>	<p>A Transformation Board was set up in 2016/17 to inform and oversee change across the Council. This is fulfilled primarily through the discussion of a 'channels of change' schedule which details the projects and ideas that the Council is developing to help deliver the required savings.</p> <p>An opportunity exists to shape the standing agenda of the Committee so that risks are RAG-rated in a way that aligns to the existing Budget Reporting Risk register and to ensure that progress against existing savings plans is discussed in greater detail.</p> <p>The Council continues to explore transformation service opportunities which are expected to provide sources of future income both within the timeframe of the Medium Term Financial Plan and beyond.</p> <p><b>On that basis we concluded that the risk was sufficiently mitigated and the Council has proper arrangements.</b></p> <p>We recommended that the newly established Transformation Board consider ways in which its work can be more explicitly aligned to existing risk reporting, and that progress against existing savings plans is monitored in greater detail.</p>

## Appendix A: Reports issued and fees

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

### Fees

	Proposed fee £	Final fees £	2015/16 fees £
Statutory audit of Council	57,533	57,533	57,533
Housing Benefit Grant Certification	24,999	Tbc*	19,993
<b>Total fees (excluding VAT)</b>	<b>82,532</b>	<b>Tbc*</b>	<b>77,526</b>

\* Our work on Housing Benefit certification is not yet complete. We will confirm the fee for this work in our report to those charged with governance later this year.

The proposed fees for the year were in line with the scale fee set by Public Sector Audit Appointments Ltd (PSAA). We reported to the Corporate Governance and Standards Committee (30 March 2017) that, in connection with our 2015/16 housing benefit subsidy grant certification, in addition to the indicative scale fee set for 2015/16 (£13,925) a variation for an additional £12,500 was proposed giving a total proposed fee of £26,425. Following PSAA review, the final variation has been agreed as £6,068, giving a final total fee for 2015/16 of £19,993.

### Reports issued

Report	Date issued
Audit Plan	March 2017
Audit Findings Report	September 2017
Annual Audit Letter	October 2017

### Fees for other services

Service	Fees £
<b>Audit related services:</b>	
• Housing capital receipts return	<b>1,500</b>
<b>Non-audit services</b>	<b>n/a</b>

### 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 table above summarises all other services which were identified.
- We have considered whether other services might be perceived as a threat to our independence as the Council's auditor and have ensured that appropriate safeguards are put in place, as reported in our Audit Findings Report.

The above non-audit services are consistent with the Council's policy on the allotment of non-audit work to your auditor and have been approved by the Corporate Governance & Standards Committee.

# Reports issued and fees continued

We have considered whether other services might be perceived as a threat to our independence as Council’s auditor and have ensured that appropriate safeguards have been applied to mitigate these risks.

	Service provided to	Fees	Threat identified	Safeguards
<b>Audit related services</b>				
Pooling of housing capital receipts return 2016/17	Guildford Borough Council	£1,500	<ul style="list-style-type: none"> <li>Self-interest</li> </ul>	<p>This is a recurring fee, therefore a self-interest threat exists. However, the level of this recurring fee taken on its own is not considered to be a significant threat to independence as the fee for the audit (£57,533) for the Council and in particular to Grant Thornton LLP overall turnover is not considered to be significant.</p> <p>Furthermore, the work relates to audit related services for which there is a fixed fee and no contingent element to the fee. These factors are deemed to adequately mitigate the perceived self-interest threat to an acceptable level.</p>
	<b>TOTAL</b>	£1,500		

The above non-audit services are consistent with the Council's policy on the allotment of non-audit work to your auditor and have been approved by the Audit Committee.



© 2017 Grant Thornton UK LLP. All rights served.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires.

Grant Thornton UK LLP is a member firm of Grant Thornton International LTD (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL, and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

[grant-thornton.co.uk](http://grant-thornton.co.uk)

This page is intentionally left blank



Corporate Governance and Standards Committee Report

Report of Chief Internal Auditor

Author: Joan Poole

Tel: 01483 444854

Email: joan.poole@guildford.gov.uk

Lead Councillor responsible: Michael Illman

Tel: 07742 731535

Email: michael.illman@guildford.gov.uk

Date: 30 November 2017

## Summary of Internal Audit Reports - April 2017 – September 2017

### Recommendation

The Committee is requested to note the summary of audit reports and other associated work for the period April 2017 to September 2017 and progress against the audit plan. (Appendix 1)

#### Reasons for Recommendation:

To ensure an adequate level of audit coverage.

### 1. Purpose of Report

- 1.1. To present a summary of audit work for the period 1 April 2017 to 30 September 2017.

### 2. Strategic Priorities

- 2.1. The audit of Council services supports the priority of providing efficient, cost effective and relevant quality public services that give the community value for money.

### 3. Background

- 3.1. We have to ensure that the level of audit coverage is sufficient to provide assurance on the overall standard of corporate governance. The section has undergone a fundamental service review over the last six months to identify the best service option for the Council's current needs but also looking at future developments within local government.

**4. Summary of Audit Reports - April 2017 to September 2017**

4.1. The summaries of the audit reports that we have carried out in the period April 2017 to September 2017 are set out below. Internal Audit uses a scale to categorise the findings and audit opinion under five classifications. These are:

- **No Opinion** – Results of one-off investigations or consultancy work ranging from investigations into potential fraud or misappropriation or other projects such as value for money reviews on which no audit opinion is given.
- **No Assurance** – Fundamental control weaknesses that need immediate action. The area reviewed has significant control weaknesses and/or significant problems were found in the course of the audit.
- **Limited Assurance** – Some assurance that the controls are suitably designed and effective but inconsistently applied and action needs to be taken to ensure risks are managed. The area reviewed has some control weaknesses and there is a risk of loss or problems identified in the course of the audit.
- **Reasonable Assurance** - Assurance that the controls are suitably designed consistently applied and effective but we have identified issues that if not addressed, increase the likelihood of risk materialising in this area. This rating reflects audits where the systems are sound and there are only low level risks.
- **Substantial Assurance** – Assurance that the controls are suitably designed consistently applied and effective. The area reviewed is well controlled and no material problems were found.

4.2. The classifications are included in the reports to managers and have been included here to provide the Committee with an overall conclusion on the findings of the audits. The reports are ranked in order of audit opinion.

**NO OPINION**

4.3. There are no reports with “No Opinion” in this period.

**NO ASSURANCE**

4.4. There were no reports with a “No Assurance” opinion in this period.

**LIMITED ASSURANCE**

4.5. There were no reports with a “Limited Assurance” opinion in this period.

**REASONABLE ASSURANCE**

**Fuel Management**

4.6. Internal audit undertook a review of Council Vehicle Fuel Management as part of the annual audit plan. The review looked at the administration for ordering fuel and what the controls were for dispensing fuel and the use of master keys and procurement cards.

- 4.7. The Council spends over £500,000 on fuel each year so it is important that there are controls in place to deter fraud and maximise efficiency to ensure the smooth and economic running of the fleet. The review found the following areas of good practice:
- the Assistant Waste Operations Manager and Fleet Co-ordinator have good systems in place for obtaining the best price for the supply of fuel.
  - fuel dips are carried out on a regular basis.
  - CCTV cameras overlooking the pumps are in operation 100% of the time.
  - an effective form of security, although unconventional is the daily parking of a refuse freighter over the fuel tanks at the end of each day.
- 4.8. However, there are some areas for improvement. The main ones are listed below:
- the Cameron Forecourt Fuel System<sup>1</sup> is not being fully utilised.
  - procedure notes should be written and reviewed on a regular basis.
  - better administrative controls to mitigate the risk of duplicate payments.

**Audit Opinion – Reasonable Assurance**

**Recommendations were agreed and in most cases implemented immediately. Some are still in progress and will be reviewed.**

**Annual Leave Salary Sacrifice Scheme**

- 4.9. The Annual Leave Salary Sacrifice Scheme was first introduced in April 2016 following a staff survey in June 2015. The scheme had to have the approval of HMRC but it had to be introduced before HMRC would consider it. Initially, they would not agree to the scheme but we revised our process and it was approved by HMRC in August 2016 although in practice staff salary deductions had been taken for the first three months of the financial year. This resulted in the Payroll team refunding deductions and creating new deduction profiles.
- 4.10. The scheme is open to all staff but every application has to be authorised by the employee's line manager. The financial calculation and checks are carried out by the Payroll team. The calculations were checked and found to be correct; however, the review found that there was no explanation of what happens when an employee leaves the Council and this needs to be included on the Leavers Clearance sheet.
- 4.11. The 2016 Autumn Statement included changes to the income tax and national insurance contribution (NIC) treatment of certain benefits in kind. The changes, which took effect from 6 April 2017, will see the income tax and NIC increase on some benefits provided to employees as part of a salary sacrifice scheme and the Payroll team will need to be mindful of any implications to the Council's scheme.

**Audit Opinion – Reasonable Assurance**

**Further testing will be included in the general payroll audit**

---

<sup>1</sup> Cameron are a leading company involved in the supply, installation and onward maintenance of fuel tanks, fuel pumps, diesel tanks and pumps, diesel pump repairs, web based fuel management, tank gauging and other fuel management systems and associated control systems.

### **Complaints**

- 4.12 The Council has had a formal complaints system in place for a number of years. Over the last two or three years we have reviewed how we deal with complaints and have simplified and shortened the process to make it more efficient for our customers and residents. Our review found that in the main we deal with and monitor complaints in a timely fashion, however, there have been delays in introducing the new complaints system which has resulted in complaints being collated manually on a spreadsheet which is resource intensive. The new complaints system, which forms part of the FOI system, was due to be introduced in August 2016 but as yet has not been implemented however complaints are still being monitored and the Corporate Management Team receive regular monthly reports on our performance.

### **Audit Opinion – Reasonable Assurance**

#### **SUBSTANTIAL ASSURANCE**

### **Gas Servicing**

- 4.13 In 2015-16, we carried out an audit of our controls for gas servicing and safety checks. This review found some operational and administrative issues, which left the Council open to risk from non-compliance and the result was a limited audit opinion. An action plan was put in place and the service manager introduced and implemented a more robust and better controlled system. The objectives of the review were to assess the progress since the last audit to ensure that:
- our management and administration processes were compliant with Gas Safety legislation.
  - all domestic housing stock properties hold current landlord gas safety certificates
  - there is a robust system in place to confirm that these are renewed within the statutory 12 month period.
  - there is a robust system to match invoices to individual properties
- 4.14 The audit found that there had been significant improvements since the last review. Invoicing arrangements for this contract are now electronic and this largely eliminates the risk of operator error when logging data into the system. Every order issued through the Orchard system is linked to an exclusive address and cannot be changed. Invoices are now submitted using an electronic file that includes the unique job number and the claim value from the contractor. Whilst there is no provision for holding the address in text form, the linkage on the system between a job number and an address makes it unnecessary.
- 4.15 The system runs a matching routine across every invoice file submitted – where there is a mis-match, an error report is generated and the file cannot be processed any further until the error is corrected. There is potential for three errors:
- The job number does not match that held on the Orchard system
  - The job number is a duplicate to one that has already been processed and 'invoiced'
  - The claim value does not match the order value.

- 4.16 The data cannot be loaded onto the Orchard system until the errors are corrected or removed from the file. The contractor's invoice has to be adjusted to address any errors before any payment is authorised.
- 4.17 The Business Support Manager has successfully implemented an additional module to the Orchard system. This holds the details of the last time an installation had been checked. This data is then used to trigger the issue of an order to the contractor to carry out the next annual check at the appropriate time. The completions file updates the system to the next service date.
- 4.18 The contract administrator has access to this information, which allows any outstanding orders to be identified and corrective action taken. The contractor has a parallel system that he uses to manage the delivery of his services through his workforce. The new Orchard software now allows the client team to effectively manage the contractor as demonstrated by the level of compliance now being achieved.
- 4.19 There has been a great deal of work carried out over the last 18 months which has resulted in a major improvement in the system.

**Audit Opinion – Substantial Assurance**

**Annual CRC Report Submission to Environment Agency**

- 4.20 The CRC Energy Efficiency Scheme is a mandatory carbon emissions reporting and pricing scheme which covers public and private sector organisations in the UK. The scheme is divided into a number of phases, with each phase lasting five years. Currently, the scheme is in its second phase running from April 2014 to March 2019. The UK government announced in 2016 that the CRC Energy Efficiency Scheme will be abolished following the 2018-19 compliance year.
- 4.21 Participants in the CRC need to measure and report their electricity and gas supplies annually, following a specific set of measurement rules. The CRC registry then calculates CRC emissions in tonnes of carbon dioxide (CO<sub>2</sub>) from the data submitted. In addition to reporting our electricity and gas supplies, we are required to answer a set of corporate responsibility questions and keep evidence with records of our supplies as well as other relevant information.
- 4.22 The scheme requires participants to buy allowances for every tonne of carbon they emit (relating to electricity and gas), as reported under the scheme. This means that organisations that decrease their emissions can lower their costs under the CRC.
- 4.23 We were asked to carry out an audit prior to our submission and review and verify the figures in the Annual Report. As part of the audit we tested a sample of energy consumption figures from different sites which were found to be correct. The resulting calculation of the estimated cost of emissions was checked and no problems were found.

**Audit Opinion – Substantial Assurance**

## 5 Corporate Work and Projects

### Local Government Ombudsman

- 5.1 There have been seven Ombudsman complaints in the first six months of 2017-18. This compares with 12 in the same period last year. All were either closed, not upheld or classed as premature.

GBC File Ref. No.	Complaint Category	Finding
AJ/17/0001	Corporate & Other Services	Closed after initial enquiries – out of jurisdiction
AJ/17/0002	Environmental Services & Public Protection & Regulation	Closed after initial enquiries – no further investigation
AJ/17/0003	Housing	Premature
AJ/16/0017	Planning & Development	Not upheld: no maladministration
AJ/17/0005	Housing	Closed after initial enquiries – no further action
AJ/17/0006	Corporate & Other Services	Closed after initial enquiries – out of jurisdiction
AJ/17/0004	Housing	Closed after initial enquiries – no further action

## 6 Governance Projects

- 6.1 Over the last 18 months we have been carrying out a rolling programme of audit reviews on our corporate governance processes. This will continue during 2017-18 but in the period April to September 2017 we carried out reviews on:

### General Data Protection Regulation

- 6.2 We carried out an initial review of the requirements of the impending GDPR legislation and how this will impact the Council. This is a significant piece of legislation which will impact most services. We have pulled together a working group with service representatives to identify what data we hold, why we hold it, how it is held and how it complies with the new legislation. It is a major project but we have made good progress. We now have:

- A project plan
- A project sponsor - Steve White
- A project board - with representatives from all directorates
- Appointed a Data Protection Officer (legal requirement) – Joyce Hamilton
- Set up processes and procedures for the individual pieces of legislation e.g. rights of access, erasure, portability
- A testing programme for each process
- An outline training programme which identifies required level of training for different staff
- A Powerpoint video for staff which gives basic awareness training. This will be made available to Councillors.

- A training event for councillors scheduled for 20 March 2018
- A training programme for staff which is currently being developed

6.3 The next steps in the project are:

- To contact all suppliers to assess how prepared they and their systems are
- Contact services to start data cleansing

6.4 We have made good progress on what is a major piece of work and we will keep the Committee updated in future reports.

#### Elections

6.5 Elections by their very nature are subject to very stringent controls and legislation but in the main the highest risk area for local authorities has been the controls over postal votes. Internal audit has worked with electoral services to test the controls and identify administrative improvements. The new processes were put in place for the Surrey County Council elections in May 2017 and the results demonstrated that we have robust processes and management controls in place for the future and provide assurance that our democratic processes are sound.

#### Business Continuity and Emergency Planning

6.6 The Council has always had robust Business Continuity and Emergency Planning processes; however, our review found that while there were contingency plans both in ICT and Emergency Planning to deal with an incident, we need to review and update our procedures and records and align the ICT contingency planning to the Council's overall recovery and emergency planning. Part of the problem is that, over the last few years, there have been a number of organisational changes, which has resulted in some instances structures with different roles and reporting lines. When this happens, there is always a risk that the linkages between services are overlooked. A working group of all relevant service managers has been set up to assess the current arrangements and produce a revised joint plan to ensure that in the event of an incident the Council has identified both the priority services and the priority staff to ensure service delivery. We will report back to Committee on progress.

#### Service Plans

6.7 Service plans are an important part of our management control environment. We have had a service planning process for several years, which has developed over time. However, the background against which service plans are produced has changed with the introduction, for example, of both a comprehensive Corporate Plan and the strong leader model. As service plans have developed over time, structures and reporting lines have changed which has increased the risk that the approach from individual services has become less corporate and documents have been produced to different standards.

6.8 We reviewed the process and it was agreed that we needed to review and simplify the process. The new plans which consist of two main documents were introduced

in May. The first document contains summary information about the service and details of any significant projects and activities over the next three financial years. The second document is a spreadsheet showing progress on each of the projects/activities, which will be used in one to ones and at CMT to monitor the progress against targets. The service plans will be developed by service managers which will then be agreed by the relevant director and Portfolio Holder.

6.9 As well as being a useful tool to monitor and manage significant projects and activities, service plans also provide an opportunity to engage with colleagues, councillors and customers to improve their understanding of the scale and objectives of each service. The summary document includes information about the service:

- Position in the council
- Senior management and Portfolio Holder
- Purpose and objectives
- Financial information
- Staffing levels
- Key Performance Indicators
- Major projects and activities

6.10 The service plan requires that all projects are identified according to project type. The project types are:

- Corporate Plan – projects arising from the Council's Corporate Plan.
- Transformation – projects undertaken as part of the Transformation Programme, either Transformation Reviews or resulting from recommendations in earlier Transformation Reviews.
- Savings – Projects designed to achieve savings.
- Service Improvements – Projects undertaken to improve services, usually not identified as part of the Transformation Programme or Savings reviews (e.g. introduce new software).
- Risk mitigation – Projects undertaken to mitigate a risk identified as part of the Council's Risk Management process.
- Business as Usual (BAU) – activities that are important to the service but may not be corporately significant.

6.11 As part of the service planning process, service managers will be expected to develop meaningful Key Performance Indicators (KPIs). These will be included in the service plan and be used as the basis of a regular report to CMT. Many services will already have some KPIs but this is an area which needs further development to ensure that the KPIs capture information that is important from the customer's point of view or demonstrate the efficiency and effectiveness of the service.

6.12 There is already a monthly Corporate Plan Monitoring report which details the progress of all projects which feed into themes and aims of the Corporate Plan 2015-2020. In addition, we benchmark the corporate PIs collected with other Surrey authorities on a suite of data to assess our performance. However, there is



a risk of duplication from collecting all of the various data sets and we need to collate this information into one consistent document.

#### Work in Progress

6.13 These are audits which were started in the period but are either in draft or still in progress. These will be reported to Committee at a later date:

- Fire Risk Assessment - report in draft
- Cyber security – report in draft
- Major Housing Projects – report in draft
- IR35 – report in draft
- Procurement - testing
- Legal Services - testing
- Agency and Overtime Payments – report in draft
- Asbestos and Legionella – reports in draft
- Vehicle Management - testing
- Sharepoint – Access Controls and Permissions and GDPR requirements – planning
- Taxi Licensing – report in draft

## **7 Service Reviews**

7.1 Over the last year, Internal Audit has worked with managers on lean reviews, some as stand-alone projects and some as part of their fundamental reviews. Although this is not traditional audit work, many of the business process re-engineering disciplines involved are closely related to audit systems analysis. This has the benefit of helping managers make efficiency savings but it also increases our understanding of the services and the business risks.

#### Service and lean reviews in progress

7.2 We are currently working on a number of reviews including:

- Heritage Services
- Parks and Countryside
- Human Resources
- Operational Services

7.3 These reviews look at all the business processes, structures and synergies to deliver more streamlined efficient and effective services. The reviews listed above are now being finalised and a report with recommendations for the future will be submitted and will inform any future re-structures.

## **8 Financial Implications**

8.1 The financial implications of the new structure were the subject of a growth bid, which has been agreed.

**9 Legal Implications**

- 9.1 The Local Government Act 1972 (S151) requires that a local council “shall make arrangements for the proper administration of their financial affairs”.
- 9.2 The 1972 Act is supported by the Accounts and Audit Regulations 2011 which state that “A relevant body must undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control”.
- 9.3 The internal audit plan is necessary to satisfy these legal obligations.

**10 Human Resources**

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

**11 Conclusion**

- 11.1 The first half of the year has been challenging with a number of unplanned pieces of work and some staffing issues. In addition, the audit focus is changing as the Council is seeking to become more entrepreneurial. This will bring new opportunities and risks and will be factored into our audits.
- 11.2 The challenge for the team is to balance the requirement for robust governance and controls and helping to deliver the Council’s ambitious change agenda.

**12. Background Papers**

None

**13. Appendices**

None

Corporate Governance and Standards Report

Ward(s) affected: All

Report of Director of Resources

Author: Claire Morris

Tel: 01483 444827

Email: [claire.morris@guildford.gov.uk](mailto:claire.morris@guildford.gov.uk)

Lead Councillor responsible: Michael Illman

Tel: 07742 731535

Email: [michael.illman@guildford.gov.uk](mailto:michael.illman@guildford.gov.uk)

Date: 30 November 2017

## Financial Monitoring 2017-18

### Executive Summary

The report summarises the projected outturn position for the Council's general fund revenue account, based on actual and accrued data for the period April to September 2017.

Officers are projecting a reduction in net expenditure on the general fund revenue account of £1,406,830 (representing 3.18% of its original net budget). This is the result of a combination of factors, which include a reduction in employee expenditure across all services, higher than assumed levels of grant support and a reduction in the statutory Minimum Revenue Provision (MRP) charge to the general fund to make provision for the repayment of past capital debt. This lower than budgeted MRP charge reflects a re-profiling of capital schemes, which has also had a positive impact on the level of our cash balances and assumed external borrowing costs, which have combined to produce higher than budgeted net interest receipts.

A surplus on the Housing Revenue Account, due to lower staffing and repairs and maintenance costs will enable a projected transfer of £8.79 million to the new build reserve and £2.5 million to the reserve for future capital at year-end. The transfer is £560,731 higher than budgeted.

Officers are making progress against significant capital projects on the approved programme as outlined in section 7. The Council expects to spend £38.7 million on its capital schemes by the end of the financial year. The expenditure is higher than it has been for many years and demonstrates progress in delivering the Council's capital programme.

The Council's underlying need to borrow to finance the capital programme is expected to be £25.7 million by 31 March 2018, against an estimated position of £87.7 million. The lower underlying need to borrow is a result of slippage on both the approved and provisional capital programme, as detailed in paragraphs 7.3 to 7.6 of the report.

The Council held £135.1 million of investments and £233.3 million of external borrowing at 30 September 2017, which includes £193 million of HRA loans. Officers confirm that the Council has complied with its Prudential indicators in the period, which were set in February 2017 as part of the Council's Treasury Management Strategy.

### **Recommendation to Committee**

That the Committee notes the results of the Council's financial monitoring for the period April to September 2017 and makes any comments it feels appropriate

#### Reason for Recommendation:

To allow the Committee to undertake its role in relation to scrutinising the Council's finances.

## **1. Purpose of Report**

- 1.1 Recommendation 8 of the 2015 Council Governance Review was: 'That the importance of the Corporate Governance and Standards Committee to the Council be recognised, particularly in the way in which it supports the overview and scrutiny function through ongoing scrutiny of financial matters, including its proposed expanded remit on the treasury management function and budget monitoring'.
- 1.2 This Committee started its enhanced review of our financial management at its meeting on 24 September 2015. This report covers the period April to September 2017.

## **2. Strategic Priorities**

- 2.1 Councillors have reviewed and adopted an ambitious Corporate Plan for the period 2015-2020. The plan includes many significant projects and aspirations that will challenge us financially. Monitoring of our financial position during the course of the financial year is a critical part of our management of resources that will ultimately support delivery of Corporate Plan priorities.

## **3 Background**

- 3.1 The Council regularly undertakes financial monitoring in a number of ways:
  - (a) two types of general fund revenue budget monitoring report; a full monitor for periods 3, 6, 8, and 10 and a shorter monitor for the other periods (except April) covering key service areas (Industrial Estates, Investment Property, Development Control, Major Projects, Planning Policy, Off Street Parking, Refuse and Recycling, Parks and Countryside). This report covers the period to September 2017 (period 6) and covers all Council services
  - (b) quarterly monitoring of the capital programme
  - (c) monthly and quarterly monitoring of its treasury management activity
  - (d) monitoring at periods 3,6,8, and 10 of the Housing Revenue Account

- 3.2 The Council's Corporate Management Team (CMT), Chief Finance Officer and deputy, and officer capital programme monitoring group review monitoring reports. Financial monitoring for all services is reported to this Committee on a regular basis.
- 3.3 This report sets out the financial monitoring and covers:
  - (a) general fund revenue monitoring (section 4)
  - (b) housing revenue account monitoring (section 5)
  - (c) treasury management (section 6)
  - (d) capital programmes (section 7)

**4 General Fund Revenue Account monitoring**

- 4.1 **Appendix 1** shows the summary monitoring report for the general fund revenue account. Officers have prepared the projected outturn on six months actual and accrued data.
- 4.2 **Appendix 2** shows detailed information for each service split between direct expenditure and income and indirect costs. We monitor the projected outturn against the revised (or latest) budget as this takes into account any virements or supplementary estimates approved since the original budget was set in February 2017.
- 4.3 At total service unit level, the projected outturn is £1.27 million higher than the latest estimate. There are items within the contributions to reserves that reverse figures within the service units. When these adjustments are taken into account, the projected outturn is £200,639 higher than the latest estimate.
- 4.4 Following the receipt of dividends for the quarter, the return on external funds has been reforecast and net external interest receivable is projected to be £929,093 higher than our original estimate.
- 4.5 The Minimum Revenue Provision (MRP), based on the Capital Financing Requirement (CFR) at 31 March 2017 for the purposes of this report is shown as £573,852. This is £654,732 lower than estimated. The reduction is due to slippage in the capital programme experienced during 2016-17.
- 4.6 The overall projected position for net expenditure is £1,406,830 lower than estimate.
- 4.7 The tables shows the supplementary estimates and virements approved to date.

**Supplementary Estimates 2017-18**

Service/Description	Date of Approval	Committee	Value
Replacement Cremator	5 April 2017	Executive	£211,750
Joint Enforcement Team (receipt of grant)	21 April 2017	Executive	(£24,000)
Joint Enforcement Team (authority to spend grant)	21 April 2017	Executive	£24,000
<b>TOTAL</b>			<b>£211,750</b>

### Virement Record 2017-18

Service/Description	Date of Approval	Approved by	Value
Legal Services	4 April 2017	Claire Morris	£57,280
Joint Enforcement Team	21 April 2017	Executive	£86,600
Science and Arts Festival	3 May 2017	Claire Morris	£20,000
Ward Street Toilets/Stoke Park Nursery (R&M)	30 August 2017	Claire Morris	£68,000
Internal Audit/Business Improvement	14 Sept 2017	Claire Morris	£25,100
<b>TOTAL</b>			<b>£256,980</b>

- 4.8 Unlike the old formula grant system, not all of the income and payments relating to the Business Rates Retention Scheme are fixed. The tariff and retained income figures do not change from the budgeted amount, but the levy and s31 grant income do. This year (2017-18) is the second year we have been in a Business Rates Pool.

We pay 50% of the levy that we would otherwise have had to pay to the government (50% of the estimated retained income above our baseline funding level) to the Pool. Within the budget, we have assumed that we transfer the remaining 50% of the estimated income from business rates above our government set baseline funding level to the Business Rates equalisation reserve.

In order to maintain the net effect of the BRRS on the General Fund we have adjusted this contribution as set out below:

	2017-18 Estimate (£)	2017-18 Projection (£)	Variance (£)
BRRS – tariff	30,213,400	30,213,400	0
BRRS – payment to pool re levy	652,892	690,382	37,490
Contribution to BRRS equalisation reserve	1,958,675	1,982,294	23,619
	<u>32,824,967</u>	<u>32,886,076</u>	<u>61,109</u>
BRRS – s31 grant	(633,707)	(694,816)	(61,109)
BRRS – retained income	(35,250,674)	(35,250,674)	0
<b>BRRS – net position</b>	<b>(3,059,414)</b>	<b>(3,059,414)</b>	<b>0</b>

- 4.9 The table above shows an increase in our payment to the Pool and an increased contribution to the equalisation reserve in order to maintain the overall impact on the general fund.

*Major Service Variances*

4.10 **Appendix 2** provides detailed information on variances at a service level. There are some services with projected larger variances in total net expenditure and these are summarised in the table below. The table below includes only items that have an impact on the bottom line and excludes additional spend financed from a reserve, an approved carry forward or items financed by savings elsewhere in the budget.

	<b>Higher net cost (£000)</b>	<b>Lower net cost (£000)</b>
<b>Community Services</b>		
Gypsy Traveller Sites - repair and maintenance and SCC funding	68	
<b>Corporate Services</b>		
Council and Committee Support - Cluster funding arrangements		(37)
Corporate Services - Consultants, Bank Charges re: channel shift	30	
Public Relations and Marketing - temporary posts	57	
<b>Development Directorate</b>		
Industrial Estates - rent reviews		(83)
Investment/Other Property - asset development recharge, rent	123	
Major Projects - consultant costs net of salary costs		(353)
Planning Policy - savings arising from vacancies		(55)
Town Centre Management - profit share WiFi	41	
Asset Development - vacant posts net of recharges		(42)
<b>Environment Directorate</b>		
Electric Theatre - implications arising from change of operator	109	
Guildford House - repair and maintenance		(40)
Guildhall - repair and maintenance		(45)
Off street Parking - rescheduling of decoration works/season tickets		(255)
Parks and Countryside - traveller costs/contract arrangements	115	
Park and Ride – removal of operating subsidy		(198)
Public Conveniences - assessment of maintenance requirements		(52)
<b>Management Directorate</b>		
Internal Audit - savings arising from vacancies		(94)
Business Improvement - savings held elsewhere re: transformation programme	342	
<b>Resources Directorate</b>		
ICT Business Services Team – savings arising from vacancies		(127)
Climate Change – savings arising from vacancies		(60)
ICT Customer Technical Support – consultancy/licence costs	70	
Miscellaneous Items – variation in external grant/corporate inflation		(107)
Office Services – rental income	90	
The Village – variation in rental income and expenditure	646	

## 5 Housing Revenue Account

- 5.1 **Appendix 3** shows the budget monitoring report for the Housing Revenue Account (HRA) for the period April to September 2017. At this halfway stage of the year, the report shows that HRA gross service expenditure is projected to outturn at 99.3% of the budgeted level, whilst income is projected to be 101.4% of the budgeted level. The projected outturn would enable a transfer of around £11.29 million to the new build reserve and the reserve for future capital. The principal variations are:
- The rental income estimate for 2017-18 included a prudent allowance for Right to Buy (RTB) sales and the re-commissioning of units. Rental income is projected to be £547,990 higher than budgeted, which is broadly consistent with the previous year's income pattern after allowing for a 1% reduction in social rents.
  - It is projected that salary related expenditure; net of temporary staffing, vacancy credit and redundancy costs may result in a saving against budget of up to £246,270.
  - Emphasis continues to be on planned rather than responsive maintenance, supported by the benefits accruing from past levels of expenditure on planned capital and revenue maintenance works. At the midpoint of the year, the projected expenditure is as per the budget.
  - In accordance with the last published business plan, with the exception of receipts from RTB sales the estimates for the year do not provide for any repayment of HRA debt principal or for setting aside any amounts towards the repayment of debt. The priority in the early years of the business plan was the provision of additional housing. However, this will be the subject of a review and an updated business plan will be submitted reflecting constraints placed on the HRA by changes in the Housing and Planning, and Welfare Reform and Work Acts. Once the Government have published the Regulations, the requirements around the disposal of High Value properties would come into force.
- 5.2 Tenancy arrears remain stable and are consistent with the assumptions contained in the business plan. Particular attention is paid to introductory tenancies (tenants of less than 12 months), as they often have no previous experience of managing a household budget or of renting a property. The Money Advisor continues to focus on applicants and new tenants to help them manage their money more effectively, in addition to providing support for tenants moving to Universal Credit.
- 5.3 Surrey County Council have recently announced changes to the level of Supporting People grant funding they will provide. The significant reduction in grant takes effect from 1 April 2018, and therefore does not affect the current year's income projections. Officers are currently exploring options to mitigate the impact of the reduction in funding.



## 6 Treasury Management

- 6.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management ("the Code") recommends that councillors are informed of treasury management activities at least twice a year. This report therefore ensures the Council is embracing best practice in accordance with CIPFA's recommendations by reporting quarterly to councillors.

### Debt management

- 6.2 We have a substantial long-term Public Works Loan Board debt portfolio for the HRA totalling £193 million, and a smaller amount (£10 million) for the General Fund. During the year so far, due to lower than anticipated expenditure on the capital programme (as outlined in section 7 below), the Council as a whole is currently only borrowing short-term for cash flow purposes. There is no cost of carry on our short-term borrowing.
- 6.3 The following table summarises the current borrowing position of the Council and the activity to period 6.

Loan type		Balance 01 April 17 £000	New loans £000	Loans repaid £000	Balance 30 Sept 17 £000	Weighted average rate of interest
<b>PWLB</b>						3.11%
Variable		45,000	0	0	45,000	
Fixed	Maturity	147,435	0	0	147,435	
	EIP	920	0	0	920	
Local authorities		10,000	0	0	10,000	1.35%
<b>Total long-term Loans</b>		<b>203,355</b>	<b>0</b>	<b>0</b>	<b>203,355</b>	
Temporary Loans		30,000	55,000	(55,000)	30,000	0.41%
<b>Total Loans</b>		<b>233,355</b>	<b>55,000</b>	<b>(55,000)</b>	<b>233,355</b>	

### Investment activity

- 6.4 During the period, we have continued with the diversification of our in-house investment portfolio into more secure instruments such as bonds and secure bank deposits (not subject to bail-in) in line with our Treasury Management Strategy.
- 6.5 The Council's budgeted investment income for 2017-18 is £1.47 million, the projected outturn is £1.7 million. The gross cash balances representing the Council's reserves and working balances at 30 September 2017 available for investment were £135 million and net of short-term borrowing £105 million.
- 6.6 The Council's budgeted external interest cost, which relates to short and long-term borrowing, for the year is £6.11 million and the outturn is projected to be £5.27 million.
- 6.7 Net interest receivable was budgeted at £490,000 and is projected to be £1.4 million. This includes more interest receivable of £226,000 due to higher than anticipated cash balances and £719,000 less interest payable due to less

anticipated external borrowing. The reduction in external borrowing interest cost includes £64,000 relating to the budgeted loan for Clay Lane link road, £300,000 for Major Projects strategic property capital expenditure and £315,000 loan interest on short-term loans to cover capital expenditure that has now been re-profiled into future years.

6.8 The Council's annualised weighted return on investments for the period to September 2017 was 1.19% against an estimate of 1.713%.

6.9 The table below summarises the Council's investment activity for April to September 2017.

Investment	Principal invested £000	Balance 01 April 17 £000	Movement in investment £000	Change in capital value £000	Balance 30 Sept 17 £000	Weighted average rate of interest
<u>Investment Funds</u>						
Payden & Rygel	5,000	5,025	0	(4)	5,021	0.32%
CCLA	5,000	6,351	0	138	6,489	2.94%
Aberdeen (SWIP)	2,000	1,848	0	(25)	1,823	0.63%
M&G	2,000	2,670	0	(40)	2,630	2.18%
Schroders	1,000	914	0	(13)	902	3.81%
Funding Circle	900	870	(221)	0	679	3.48%
UBS	2,500	2,417	0	10	2,427	1.95%
City Financial	2,500	2,468	0	(45)	2,423	1.85%
<u>In- House Investments:</u>						
Call Accounts		475	(475)		0	0.15%
Money Market Funds		1,319	3,507		4,826	0.25%
Notice Accounts		13,000	0		13,000	0.53%
Temporary Fixed Deposits		34,000	(2,000)		32,000	0.74%
Certificates of Deposit		2,000	2,000		4,000	0.54%
Unsecured bonds		6,824	2,237		9,061	0.64%
Long Term Covered Bonds		27,736	3,093		30,829	0.96%
Long Term Fixed Deposits		16,500	0		16,500	1.55%
Revolving Credit Facility		2,500	0		2,500	2.25%
<b>Total Investments</b>		<b>126,917</b>	<b>8,141</b>		<b>135,110</b>	

6.10 Some of our externally managed funds have seen a fall in their capital values since inception. The falls are indicative of wider financial market movements over the same period. The Council's external investments are held for long-term purposes and are invested to generate an income for the Council over the longer term. Any loss in investment value will not be realised unless the investment is sold. The Council has an earmarked reserve available to utilise in the event of a loss, thus minimising the impact on the general fund. Officers would not normally sell external investments at a loss unless there were very exceptional circumstances. It is anticipated that the value of the external investments will increase in line with the market in the medium term and will generate a positive return for the Council when eventually sold.

**Prudential Indicators**

6.11 Officers confirm that the Council has complied with its Prudential indicators in the period, which were set in February 2017 as part of the Council’s Treasury Management Strategy Statement.

*Authorised limit and Operational Boundary for External Debt*

6.12 The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit, irrespective of their indebted status. This is a statutory limit, which we should not breach.

6.13 The Council’s authorised borrowing limit was set at £525 million for 2017-18.

6.14 The Operational Boundary is based on the same estimates as the Authorised Limit but reflects the most likely, prudent but not worst case scenario without the additional headroom included in the Authorised Limit.

6.15 The operational boundary was set at £475 million for 2017-18.

6.16 The Chief Finance Officer confirms that there have been no breaches to the authorised limit and operational boundary during the year. Borrowing, at its peak, was £250 million.

*Upper limits for fixed interest rate exposure and variable interest rate exposure*

6.17 These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates for both borrowing and investments. They are targets rather than absolute limits.

6.18 The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on our portfolio of investments.

6.19 The limit allows for 100% of total debt and total investments to be at a fixed rate, and a smaller percentage to be at a variable rate to minimise the potential volatility of interest rate risk.

	<b>2017-18 approved (£000)</b>	<b>2017-18 actual to date (£000)</b>
<b>Net debt</b>		
Upper limit on fixed interest rates	267,120	123,166
Upper limit on variable interest rates	1,320	(29,861)

*Maturity structure of fixed rate borrowing*

6.20 This indicator is designed to limit large concentrations of fixed rate debt maturing at times of uncertainty over interest rates.

Time period	Limit	Actual	Variance
Under 12 months	30%	21%	-9%
1 to 2 years	20%	0%	-20%
3 to 5 years	35%	0%	-35%
6-10 years	50%	21%	-29%
11 years and above	100%	57%	-43%

6.21 The table shows the split of the principal repayments of the fixed rate loans of the Council.

*Total principal sums invested for periods longer than 364 days*

6.22 This indicator allows the Council to manage risk inherent in investments longer than 364 days. The 2017-18 limit is set at £70 million and we had £54.17 million of longer-term investments as at 30 September, of which £30.8 million was in covered bonds.

## 7 Capital Programmes

7.1 **Appendices 4 to 9** of this report set out the following for each scheme on the Council's capital programme

- the gross estimate for the scheme approved by the Executive
- the cumulative expenditure to 31 March 2017 for each scheme
- the estimate for 2017-18 as approved by Council in February 2017
- the 2017-18 revised estimate which takes into account the approved estimate, any project underspends up to 31 March 2017, and any virements or supplementary estimates
- 2017-18 current expenditure
- 2017-18 projected expenditure estimated by the project officer

7.2 Details of changes to the programme are set out below.

Approved programme (Appendix 4)

7.3 Expenditure is expected to be £30.6 million, representing a £23.4 million variance to the revised estimate of £54 million. If a project is on the approved programme, it is an indicator that the project has started or is near to starting following the approval of a final business case by Executive. Whilst actual expenditure for the period of £4.7 million may seem low, a number of significant projects are in progress. These include:

- ED30 - Home Farm, provision of traveller pitches (£770,000) - work is progressing on this scheme which is due to complete in 2017-18
- OP6 – vehicle replacement programme of £827,000
- PL11 - Spectrum roof replacement and steel works (£3.2 million) work is progressing on this scheme and is due to complete in 2017-18
- FS1 – capital contingency fund – there is £4.577 million remaining in the fund
- ED25 – Guildford Park infrastructure works (£5.997 million) - this scheme received planning consent in November 2016 and initial works are

progressing. A significant amount of the cost of this project is still on the provisional capital programme awaiting final business case approval.

- ED6 – Slyfield Area Regeneration Project (SARP) (£1.767 million) - work is progressing on the detailed design, pre-planning and site investigation work for this scheme to inform the final business case. The budget for the full scheme is still on the provisional capital programme. Subject to business case approval, the scheme is scheduled for completion in 2026-27.
- P5 – Walnut bridge (£1.834 million) – work is progressing on this scheme which is scheduled to complete in 2018-19
- PL9 – Crematorium rebuild (£500,000) – work is progressing on this scheme which is scheduled for completion in 2019-20
- PL29 - Woodbridge Road Sportsground (£1.384 million) – work is progressing on this scheme which is scheduled for completion in 2017-18

7.4 In addition to the schemes outlined above, the following significant amounts that were due to be spent on schemes or projects in 2017-18 will now be carried forward into 2018-19 or future years:

- PL9 – Crematorium rebuild (£3.292 million) – work is progressing with majority of spend expected in 2018-19.
- P9c – Bedford Wharf – (£17.699 million) - this project is being reviewed and spend expected in 2019-20.

#### Provisional programme (Appendix 5)

7.5 Expenditure on the provisional programme is expected to be £4.3 million, against the revised estimate of £52.7 million, representing a variance of £48.4 million. These projects are still at feasibility stage and will be subject to Executive approval of a business case before they are transferred to the approved capital programme. It is only once the business case is approved that the capital works can start. Monitoring progress of these projects is key to identifying project timescales. The significant projects are:

- ED32(p) - Clay Lane Link Road, £1.1 million is expected to be spent on phase 1 in 2017-18, the remaining £9.3 million cost of the scheme will be carried forward into future years.
- ED38(p) – North Street £1 million is expected to be spent on 2017-18, the remaining £28.6 million in future years.

7.6 A number of projects, that were anticipated to start in 2017-18 have been re-profiled into future years including:

- ED18(p) - Guildford Museum (£2 million)
- ED16(p) - Slyfield Area Regeneration Project (£15.058 million)
- ED25(p) – Guildford Park new MSCP and infrastructure works (£11.645 million)
- ED48(p) - Westfield Road/Moorfield Road resurfacing (£3.152 million)
- PL16(p) – New burial ground acquisition and development (£2.458 million)
- PR7(p) – Town Centre transport infrastructure package (£4 million)

S106 (Appendix 6)

- 7.7 Capital schemes funded from s106 developer contributions is expected to total £544,000.

Reserves (Appendix 7)

- 7.8 Capital schemes funded from the Council's specific reserves. The outturn is anticipated to be £3.32 million. The main projects are:
- expenditure on car parks £1.13 million
  - ICT renewals £854,000

Capital resources (Appendix 8)

- 7.9 When the Council approved the budget, the estimated underlying need to borrow for 2017-18 was £87.7 million. The current estimated underlying need to borrow is £25.7 million. The reduction is due to slippage in the programme where schemes are re-profiled into 2018-19.

Housing Investment Programme capital (Appendix 9)

- 7.10 The HRA approved capital programme is expected to outturn at £17.6 million against a revised estimate of £17.6 million.
- 7.11 The provisional programme's budget was £9.07 million with no expenditure anticipated this financial year.

**8 Consultations**

- 8.1 The accountants prepare the budget monitor in consultation with the relevant service managers.

**9 Equality and Diversity Implications**

- 9.1 There are no direct equality and diversity implications as a result of this report. Each service manager will consider these issues when providing their services and monitoring their budgets.

**10 Financial Implications**

- 10.1 The financial implications are contained throughout the report.

**11 Legal Implications**

- 11.1 The Local Government Act 1972, Section 151 states that each local authority has a statutory duty to make arrangements for the proper administration of their financial affairs. In addition, the Accounts and Audit Regulations 2015 impose an explicit duty on the Council to ensure that financial management is adequate and effective and that they have a sound system of internal control, including arrangements for the management of risk.

11.2 Proper administration is not statutorily defined; however, there is guidance, issued by CIPFA on the responsibilities of the Chief Finance Officer (CFO). This states that local authorities have a corporate responsibility to operate within available resources and the CFO should support the effective governance of the authority through development of corporate governance arrangements, risk management and reporting framework. Regular monitoring of the Council's actual expenditure to budget and forecasting of the expenditure for the full year is part of the proper administration and governance of the Council.

11.3 There are no further direct legal implications because of this report.

## **12 Human Resource Implications**

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

## **13 Summary of Options**

13.1 This report outlines the anticipated outturn position for the 2017-18 financial year. There are no specific recommendations and therefore no options to consider.

## **14 Conclusion**

14.1 The report summarises the financial monitoring position for the period April to September for the 2017-18 financial year.

14.2 Officers are currently projecting a reduction in net expenditure of £1,406,830 on the general fund revenue account. The main reasons for this are set out in the table in paragraph 4.10 above.

14.3 The Chief Finance Officer in consultation with the Lead Councillor for Finance and Asset Management will determine the treatment of any balance as part of closing the 2017-18 accounts.

14.4 A surplus on the Housing Revenue Account, due to lower staffing and repairs and maintenance costs will enable a transfer of £8.79 million to the new build reserve and £2.5 million to the reserve for future capital at year-end.

14.5 Actual expenditure incurred on the General Fund Capital Programme for the period has been comparatively low against the programme envisaged at 1 April 2017. Officers are making progress against significant capital projects on the approved programme as outlined in section 7. The Council expects to spend £38.7 million on its capital schemes by the end of the financial year.

14.6 It is anticipated that the Council's underlying need to borrow to finance the capital programme will be £25.7 million by 31 March 2018. The Council has complied with Prudential Indicators during the period with the exception of the upper limit on variable interest rates.

14.7 At the end of September 2017, the Council had £135.1 million of current investment balances.

**15 Background Papers**

None

**16 Appendices**

- Appendix 1: General fund revenue account summary
- Appendix 2: General fund services - revenue detail
- Appendix 3: Housing Revenue Account summary
- Appendix 4: Approved capital programme
- Appendix 5: Provisional capital programme
- Appendix 6: Schemes funded from S106
- Appendix 7: Capital reserves
- Appendix 8: Capital resources
- Appendix 9: Housing Revenue Account capital programme



Appendix 1

Actual 2016-17 £	GENERAL FUND SUMMARY	Original Estimate 2017-18 £	Latest Estimate 2017-18 £	Projection 2017-18 £
	Directorates - Net Expenditure			
6,393,211	Community Services	6,090,690	6,161,641	5,815,436
4,270,682	Corporate	3,902,760	3,995,150	4,003,311
(4,180,085)	Development	(1,768,150)	(1,144,989)	122,318
8,678,618	Environment	9,884,260	10,304,528	9,647,902
(15,020)	Managing Director	(380,890)	(325,610)	(78,084)
1,943,981	Resources	4,153,060	3,851,046	4,598,174
<b>17,091,387</b>	<b>Total Directorate Level</b>	<b>21,881,730</b>	<b>22,841,766</b>	<b>24,109,057</b>
(6,931,189)	Depreciation (contra to Service Unit Budgets)	(9,023,810)	(9,023,810)	(9,023,810)
<b>10,160,198</b>	<b>Directorate Level excluding depreciation</b>	<b>12,857,920</b>	<b>13,817,956</b>	<b>15,085,247</b>
(1,504,746)	External interest receivable (net)	(490,306)	(490,306)	(1,419,399)
335,723	Minimum Revenue Provision	1,228,584	1,228,584	573,852
(21,857)	Revenue income from sale of assets	0	0	0
	<b>Revenue Contributions to Capital Outlay (RCCO)</b>			
639,279	Met from: Capital Schemes reserve	0	0	0
883,783	Other reserves	1,914,600	1,914,600	1,914,600
0	General Fund	0	0	0
<b>10,492,380</b>	<b>Total before transfers to and from reserves</b>	<b>15,510,798</b>	<b>16,470,834</b>	<b>16,154,300</b>
	<b>Transfers to and from reserves</b>			
	Capital Schemes reserve			
(639,279)	Funding of Revenue Contribution to Capital Outlay	0	0	0
400,213	Contribution in year	0	0	0
(378,219)	Budget Pressures reserve	(410,700)	(622,450)	(1,292,450)
(1,612,295)	Business Rates Equalisation reserve	346,160	346,160	369,779
537,307	Car Park Maintenance reserve	176,470	176,470	294,470
32,500	Election Costs reserve	32,500	32,500	32,500
20,336	Energy Management Schemes reserve	(32,420)	(32,420)	(32,420)
508,072	Housing Revenue Account	452,150	452,150	386,175
41,729	Insurance reserve	(770)	(770)	75,820
297,552	IT Renewals reserve	458,780	458,780	43,974
660,899	Invest to Save reserve	105,960	105,960	(174,501)
0	Local Authority Business Growth Incentive reserve	0	0	0
1,039,057	New Homes Bonus reserve	(301,900)	(301,900)	(1,150,281)
(33,615)	On Street Parking Reserve	(116,030)	(116,030)	(146,017)
69,569	Pensions Reserve (Statutory)	0	0	0
0	Recycling reserve	0	0	0
126,884	Spectrum reserve	177,950	177,950	174,460
(68,886)	Other reserves	(265,202)	(1,013,513)	14,726
<b>11,494,204</b>	<b>Total after transfers to and from reserves</b>	<b>16,133,746</b>	<b>16,133,722</b>	<b>14,750,535</b>
	<b>Business Rates Retention Scheme payments</b>			
28,293,585	Business Rates tariff payment	30,213,400	30,213,400	30,213,400
	Business Rates levy payment	0	0	0
962,125	Business Rates - payment to pool re levy	652,892	652,892	690,382
	<b>Non specific government grants</b>			
(547,876)	s31 grant re BRR scheme	(633,707)	(633,707)	(694,816)
(15,009)	s31 grant re council tax	0	0	0
(102,174)	Transition grant	(101,789)	(101,789)	(101,789)
(2,362,055)	New Homes Bonus grant	(2,063,274)	(2,063,274)	(2,063,274)
<b>37,722,800</b>	<b>GUILDFORD BOROUGH COUNCIL NET BUDGET</b>	<b>44,201,268</b>	<b>44,201,244</b>	<b>42,794,438</b>
1,469,802	Parish Council Precepts	1,576,106	1,576,106	1,576,106
<b>39,192,602</b>	<b>TOTAL NET BUDGET</b>	<b>45,777,374</b>	<b>45,777,350</b>	<b>44,370,544</b>
(33,119,866)	Business Rates - retained income	(35,250,674)	(35,250,674)	(35,250,674)
(1,096,749)	Revenue support grant	(319,407)	(319,407)	(319,407)
1,512,784	Collection Fund Deficit - Business Rates	654,015	654,015	654,015
(120,698)	Collection Fund Surplus - Council Tax	(120,602)	(120,602)	(120,602)
<b>6,368,073</b>	<b>COUNCIL TAX REQUIREMENT</b>	<b>10,740,706</b>	<b>10,740,682</b>	<b>9,333,876</b>

Projected underspend	(1,406,830)
Adj: Movement in MRP Q1 to Q2	126,148
Adj: Movement in net external interest receivable Q1 to Q2	573,399
Projected underspend adjusting the impact of changes in interest/MRP	(707,283)
Projected underspend Q1	(560,823)
Movement between Q1 and Q2 excluding MRP/interest	(146,460)

This page is intentionally left blank

## COMMUNITY SERVICES

	Revised Budget 2017-2018	Projected Outturn 2017-2018	Variance
<b>SERVICE SUMMARY</b>			
Direct Expenditure	10,539,386	11,021,695	482,309
Income	(6,378,300)	(7,223,580)	(845,280)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>4,161,086</b>	<b>3,798,115</b>	<b>(362,971)</b>
Indirect Expenditure	2,000,555	2,017,321	16,766
<b>Net (Income)/Expenditure</b>	<b>6,161,641</b>	<b>5,815,436</b>	<b>(346,205)</b>

## BUILDING MAINTENANCE

Direct Expenditure	2,948,590	3,262,350	313,760	Reflects a variation in the level of work undertaken, this additional cost will be recharged to the Housing Revenue Account.
Income	(3,028,850)	(3,342,664)	(313,814)	See above.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(80,260)</b>	<b>(80,314)</b>	<b>(54)</b>	
Indirect Expenditure	86,380	86,434	54	
<b>Net (Income)/Expenditure</b>	<b>6,120</b>	<b>6,120</b>	<b>0</b>	

## GYPSY CARAVAN SITES

Direct Expenditure	117,810	138,690	20,880	R&M works required to the utilities block at Ash Bridge Caravan site.
Income	(197,610)	(150,300)	47,310	Reflects the removal of Surrey County Council contribution towards the site operation costs.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(79,800)</b>	<b>(11,610)</b>	<b>68,190</b>	
Indirect Expenditure	12,230	12,340	110	
<b>Net (Income)/Expenditure</b>	<b>(67,570)</b>	<b>730</b>	<b>68,300</b>	

## CITIZENS ADVICE BUREAU

Direct Expenditure	283,420	283,420	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>283,420</b>	<b>283,420</b>	<b>0</b>
Indirect Expenditure	1,190	1,202	12
<b>Net (Income)/Expenditure</b>	<b>284,610</b>	<b>284,622</b>	<b>12</b>

## CIVIL EMERGENCIES

Direct Expenditure	62,360	63,002	642
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>62,360</b>	<b>63,002</b>	<b>642</b>
Indirect Expenditure	3,350	3,368	18
<b>Net (Income)/Expenditure</b>	<b>65,710</b>	<b>66,370</b>	<b>660</b>

## COMMUNITY SERVICES

Direct Expenditure	0	62,316	62,316	Expenditure incurred in 2017-18 will be funded from the Prevention Partnership reserve.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>0</b>	<b>62,316</b>	<b>62,316</b>	
<b>Net (Income)/Expenditure</b>	<b>0</b>	<b>62,316</b>	<b>62,316</b>	

## DAY SERVICES

Direct Expenditure	621,980	604,902	(17,078)	Following a review by the Business Improvement team a saving of £50,000 was identified for 2017-18. This saving is offset by job evaluation costs of £20,000 and an unmet vacancy credit of £10,000.
Income	(200,140)	(206,496)	(6,356)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>421,840</b>	<b>398,406</b>	<b>(23,434)</b>	
Indirect Expenditure	154,220	153,426	(794)	
<b>Net (Income)/Expenditure</b>	<b>576,060</b>	<b>551,832</b>	<b>(24,228)</b>	

**EMERGENCY COMMUNICATIONS SYSTEM**

Direct Expenditure	253,270	258,578	5,308	The vacancy credit of £3,400 will not be achieved. Following a change in supplier the alarm contract cost has increased by £6,000 per annum, this change was confirmed after the preparation of the 2017-18 estimates.
Income	(368,870)	(379,766)	(10,896)	Increase in the number of clients using the careline system.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(115,600)</b>	<b>(121,188)</b>	<b>(5,588)</b>	
Indirect Expenditure	56,050	56,086	36	
<b>Net (Income)/Expenditure</b>	<b>(59,550)</b>	<b>(65,102)</b>	<b>(5,552)</b>	

**EMI SERVICES**

Direct Expenditure	272,074	259,947	(12,127)	Vacant posts within the service will remain unfilled. This relates to the programme of staff savings agreed as part of the 2017-18 budget.
Income	(183,870)	(183,870)	0	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>88,204</b>	<b>76,077</b>	<b>(12,127)</b>	
Indirect Expenditure	19,056	19,008	(48)	
<b>Net (Income)/Expenditure</b>	<b>107,260</b>	<b>95,085</b>	<b>(12,175)</b>	

**ENVIRONMENTAL CONTROL**

Direct Expenditure	378,070	415,248	37,178	Vacancy credit will not be met £6,960 - plus additional agency costs for admin staff £6,110, Tongham Air Quality costs £9,000 to be recovered from planning service. Consultants costs totalling £10,700 for the A331 planning appeal will be funded from reserve.
Income	(24,180)	(33,805)	(9,625)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>353,890</b>	<b>381,443</b>	<b>27,553</b>	
Indirect Expenditure	63,770	63,833	63	
<b>Net (Income)/Expenditure</b>	<b>417,660</b>	<b>445,276</b>	<b>27,616</b>	

**SURREY FAMILY SUPPORT PROGRAMME**

Direct Expenditure	317,340	448,854	131,514	Additional expenditure will be funded from reserve.
Income	(240,000)	(358,146)	(118,146)	The profiling of grant support will be equalised by the use of the reserve
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>77,340</b>	<b>90,708</b>	<b>13,368</b>	
Indirect Expenditure	55,900	55,906	6	
<b>Net (Income)/Expenditure</b>	<b>133,240</b>	<b>146,614</b>	<b>13,374</b>	

**FOOD AND SAFETY SERVICES**

Direct Expenditure	308,420	316,464	8,044	Increase in the costs of Tascomi software combined with an unmet vacancy credit.
Income	0	(30)	(30)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>308,420</b>	<b>316,434</b>	<b>8,014</b>	
Indirect Expenditure	82,450	82,450	0	
<b>Net (Income)/Expenditure</b>	<b>390,870</b>	<b>398,884</b>	<b>8,014</b>	

**HEALTH AND SAFETY**

Direct Expenditure	131,380	135,333	3,953	
Income	(147,690)	(147,690)	0	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(16,310)</b>	<b>(12,357)</b>	<b>3,953</b>	
Indirect Expenditure	16,520	16,526	6	
<b>Net (Income)/Expenditure</b>	<b>210</b>	<b>4,169</b>	<b>3,959</b>	

**HOUSING SURVEYING SERVICES**

Direct Expenditure	719,400	691,725	(27,675)
Income	(823,050)	(795,411)	27,639
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(103,650)</b>	<b>(103,686)</b>	<b>(36)</b>
Indirect Expenditure	97,950	97,986	36
<b>Net (Income)/Expenditure</b>	<b>(5,700)</b>	<b>(5,700)</b>	<b>0</b>

**GRANTS TO VOLUNTARY ORGANISATIONS - HOUSING AND COMMUNITY**

Direct Expenditure	505,960	507,260	1,300
Income	(62,000)	(60,000)	2,000
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>443,960</b>	<b>447,260</b>	<b>3,300</b>
Indirect Expenditure	5,210	5,216	6
<b>Net (Income)/Expenditure</b>	<b>449,170</b>	<b>452,476</b>	<b>3,306</b>

**HOME FARM ESTATE, EFFINGHAM**

Direct Expenditure	40,420	20,328	(20,092)
Income	(12,040)	(8,735)	3,305
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>28,380</b>	<b>11,593</b>	<b>(16,787)</b>
Indirect Expenditure	16,710	21,287	4,577
<b>Net (Income)/Expenditure</b>	<b>45,090</b>	<b>32,880</b>	<b>(12,210)</b>

**HOMELESSNESS AND EMERGENCY ACCOMMODATION**

Direct Expenditure	759,708	705,508	(54,200)
Income	(9,000)	(518,626)	(509,626)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>750,708</b>	<b>186,882</b>	<b>(563,826)</b>
Indirect Expenditure	92,812	92,716	(96)
<b>Net (Income)/Expenditure</b>	<b>843,520</b>	<b>279,598</b>	<b>(563,922)</b>

Savings resulting from unfilled vacancies.

DCLG grant totalling £479,000 will be transferred to reserve at year-end.

**HOUSING ADVICE**

Direct Expenditure	300,000	300,000	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>300,000</b>	<b>300,000</b>	<b>0</b>
<b>Net (Income)/Expenditure</b>	<b>300,000</b>	<b>300,000</b>	<b>0</b>

**AFFORDABLE HOUSING DEVELOPMENT**

Direct Expenditure	169,890	154,772	(15,118)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>169,890</b>	<b>154,772</b>	<b>(15,118)</b>
Indirect Expenditure	287,570	287,600	30
<b>Net (Income)/Expenditure</b>	<b>457,460</b>	<b>442,372</b>	<b>(15,088)</b>

**LICENSING SERVICES**

Direct Expenditure	186,150	195,905	9,755
Income	(164,210)	(153,578)	10,632
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>21,940</b>	<b>42,327</b>	<b>20,387</b>
Indirect Expenditure	71,360	71,438	78
<b>Net (Income)/Expenditure</b>	<b>93,300</b>	<b>113,765</b>	<b>20,465</b>

Use of agency staff totalling £10,000

Variation in the number of premises and club application licences issued.

**COMMUNITY MEALS AND TPT**

Direct Expenditure	771,960	775,874	3,914
Income	(276,190)	(275,994)	196
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>495,770</b>	<b>499,880</b>	<b>4,110</b>
Indirect Expenditure	68,730	68,772	42
<b>Net (Income)/Expenditure</b>	<b>564,500</b>	<b>568,652</b>	<b>4,152</b>

**HOUSING OUTSIDE THE HRA**

Direct Expenditure	3,130	4,719	1,589
Income	(24,790)	(17,096)	7,694
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(21,660)</b>	<b>(12,377)</b>	<b>9,283</b>
Indirect Expenditure	47,840	60,272	12,432
<b>Net (Income)/Expenditure</b>	<b>26,180</b>	<b>47,895</b>	<b>21,715</b>

**PEST CONTROL**

Direct Expenditure	71,800	62,912	(8,888)	Changes to salary allocations offset by vacancy credit £4,000. A new contract has resulted in a reduction in contractor costs.
Income	(61,500)	(61,506)	(6)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>10,300</b>	<b>1,406</b>	<b>(8,894)</b>	
Indirect Expenditure	9,690	9,696	6	
<b>Net (Income)/Expenditure</b>	<b>19,990</b>	<b>11,102</b>	<b>(8,888)</b>	

**PRIVATE SECTOR HOUSING**

Direct Expenditure	626,190	624,041	(2,149)	An anticipated reduction in funding from Surrey County Council totalling £68,000, this is 50% lower than the funded assumed for 2017-18. This has been partly offset by additional income from gas safe and client accounts.
Income	(290,130)	(254,104)	36,026	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>336,060</b>	<b>369,937</b>	<b>33,877</b>	
Indirect Expenditure	630,350	630,392	42	
<b>Net (Income)/Expenditure</b>	<b>966,410</b>	<b>1,000,329</b>	<b>33,919</b>	

**PROJECT ASPIRE**

Direct Expenditure	0	28,191	28,191	This expenditure will be funded from reserve.
Income	0	(5,000)	(5,000)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>0</b>	<b>23,191</b>	<b>23,191</b>	
<b>Net (Income)/Expenditure</b>	<b>0</b>	<b>23,191</b>	<b>23,191</b>	

**PUBLIC HEALTH**

Direct Expenditure	75,360	76,062	702
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>75,360</b>	<b>76,062</b>	<b>702</b>
Indirect Expenditure	6,580	6,586	6
<b>Net (Income)/Expenditure</b>	<b>81,940</b>	<b>82,648</b>	<b>708</b>

**COMMUNITY SAFETY WARDENS**

Direct Expenditure	357,000	350,925	(6,075)
Income	0	(314)	(314)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>357,000</b>	<b>350,611</b>	<b>(6,389)</b>
Indirect Expenditure	40,210	40,234	24
<b>Net (Income)/Expenditure</b>	<b>397,210</b>	<b>390,845</b>	<b>(6,365)</b>

**TAXI LICENSING AND PRIVATE HIRE VEHICLES**

Direct Expenditure	187,224	190,880	3,656
Income	(175,320)	(168,550)	6,770
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>11,904</b>	<b>22,330</b>	<b>10,426</b>
Indirect Expenditure	56,057	56,147	90
<b>Net (Income)/Expenditure</b>	<b>67,961</b>	<b>78,477</b>	<b>10,516</b>

The vacancy credit will not be fully achieved and additional agency staff costs of £6,000 have been incurred. The Taxi rank maintenance budget will not be fully spent due to road improvements, and it is proposed to carry forward this budget at year end.

**WOKING ROAD DEPOT STORES**

Direct Expenditure	70,480	83,489	13,009
Income	(88,860)	(101,899)	(13,039)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(18,380)</b>	<b>(18,410)</b>	<b>(30)</b>
Indirect Expenditure	18,370	18,400	30
<b>Net (Income)/Expenditure</b>	<b>(10)</b>	<b>(10)</b>	<b>0</b>

## CORPORATE SERVICES

	Revised Budget 2017-2018	Projected Outturn 2017-2018	Variance
<b>SERVICE SUMMARY</b>			
Direct Expenditure	5,235,595	5,280,555	44,960
Income	(2,697,305)	(2,733,996)	(36,691)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>2,538,290</b>	<b>2,546,559</b>	<b>8,269</b>
Indirect Expenditure	1,456,860	1,456,752	(108)
<b>Net (Income)/Expenditure</b>	<b>3,995,150</b>	<b>4,003,311</b>	<b>8,161</b>

## ACCESS GROUP FOR GUILDFORD

Direct Expenditure	1,900	2,108	208
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>1,900</b>	<b>2,108</b>	<b>208</b>
Indirect Expenditure	2,340	2,340	0
<b>Net (Income)/Expenditure</b>	<b>4,240</b>	<b>4,448</b>	<b>208</b>

## CIVIC EXPENSES

Direct Expenditure	188,210	200,651	12,441
Income	0	(741)	(741)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>188,210</b>	<b>199,910</b>	<b>11,700</b>
Indirect Expenditure	22,600	22,612	12
<b>Net (Income)/Expenditure</b>	<b>210,810</b>	<b>222,522</b>	<b>11,712</b>

A higher than anticipated number of promotional events have been held in the Borough, which has resulted in a £13,000 increase in costs.

## COMMUNITY DEVELOPMENT

Direct Expenditure	291,160	285,060	(6,100)
Income	(15,000)	(18,882)	(3,882)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>276,160</b>	<b>266,178</b>	<b>(9,982)</b>
Indirect Expenditure	41,340	41,028	(312)
<b>Net (Income)/Expenditure</b>	<b>317,500</b>	<b>307,206</b>	<b>(10,294)</b>

## COUNCIL AND COMMITTEE SUPPORT

Direct Expenditure	260,460	223,024	(37,436)
Income	(36,550)	(36,692)	(142)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>223,910</b>	<b>186,332</b>	<b>(37,578)</b>
Indirect Expenditure	248,860	248,860	0
<b>Net (Income)/Expenditure</b>	<b>472,770</b>	<b>435,192</b>	<b>(37,578)</b>

The Cluster funding arrangement has now been withdrawn by Surrey County Council and Guildford Borough Council.

## CORPORATE SERVICES

Direct Expenditure	662,650	692,413	29,763
Income	(118,240)	(117,604)	636
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>544,410</b>	<b>574,809</b>	<b>30,399</b>
Indirect Expenditure	370,550	370,436	(114)
<b>Net (Income)/Expenditure</b>	<b>914,960</b>	<b>945,245</b>	<b>30,285</b>

Advertising staff vacancies, relocation costs and staff training are anticipated to be £11,200 higher than budget. Debit & Credit card charges are currently estimated at £6,000 above budget which reflect a channel shift in payment method. Consultants advice currently £10,300.



**COMMITTEE SERVICES**

Direct Expenditure	182,950	174,766	(8,184)
Income	(225,820)	(225,820)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(42,870)</b>	<b>(51,054)</b>	<b>(8,184)</b>
Indirect Expenditure	41,690	41,726	36
<b>Net (Income)/Expenditure</b>	<b>(1,180)</b>	<b>(9,328)</b>	<b>(8,148)</b>

**DEMOCRATIC REPRESENTATION AND MANAGEMENT**

Direct Expenditure	714,610	693,293	(21,317)	Vacant posts within the service will remain unfilled totalling £35,500, this relates to the programme of staff savings agreed as part of the 2017-18 budget. Increase in Councillors Allowances £5,000, offset by a reduction in costs associated with advertising and accreditation assessments.
Income	(108,470)	(108,430)	40	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>606,140</b>	<b>584,863</b>	<b>(21,277)</b>	
Indirect Expenditure	334,870	334,954	84	
<b>Net (Income)/Expenditure</b>	<b>941,010</b>	<b>919,817</b>	<b>(21,193)</b>	

**ELECTIONS**

Direct Expenditure	85,290	88,874	3,584
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>85,290</b>	<b>88,874</b>	<b>3,584</b>
Indirect Expenditure	17,820	17,832	12
<b>Net (Income)/Expenditure</b>	<b>103,110</b>	<b>106,706</b>	<b>3,596</b>

**ELECTORAL REGISTRATION**

Direct Expenditure	318,730	253,341	(65,389)	Anticipated reduction in the costs surrounding Individual Electoral Registration (IER)
Income	(3,000)	(30,000)	(27,000)	Additional IER grant income - to be added to carry forward for 2018-19.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>315,730</b>	<b>223,341</b>	<b>(92,389)</b>	
Indirect Expenditure	41,840	41,846	6	
<b>Net (Income)/Expenditure</b>	<b>357,570</b>	<b>265,187</b>	<b>(92,383)</b>	

**LEGAL SERVICES**

Direct Expenditure	1,086,915	1,124,324	37,409	A service review is currently pending. Service costs funded from invest to save reserve total £40,800. Vacant posts currently total £36,080, offset by the full vacancy credit £25,170. Additional consultants advice £7,000.
Income	(1,205,715)	(1,213,510)	(7,795)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(118,800)</b>	<b>(89,186)</b>	<b>29,614</b>	
Indirect Expenditure	139,080	139,128	48	
<b>Net (Income)/Expenditure</b>	<b>20,280</b>	<b>49,942</b>	<b>29,662</b>	

**HR SERVICES**

Direct Expenditure	425,830	420,252	(5,578)
Income	(563,850)	(563,850)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(138,020)</b>	<b>(143,598)</b>	<b>(5,578)</b>
Indirect Expenditure	89,790	89,802	12
<b>Net (Income)/Expenditure</b>	<b>(48,230)</b>	<b>(53,796)</b>	<b>(5,566)</b>

**INFORMATION RIGHTS OFFICER**

Direct Expenditure	62,650	63,474	824
Income	(69,280)	(69,310)	(30)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(6,630)</b>	<b>(5,836)</b>	<b>794</b>
Indirect Expenditure	4,810	4,810	0
<b>Net (Income)/Expenditure</b>	<b>(1,820)</b>	<b>(1,026)</b>	<b>794</b>

**OTHER EMPLOYEE COSTS**

Direct Expenditure	365,680	384,453	18,773	The salary sacrifice and car parking savings are held centrally, the actual savings will appear on the individual service accounts.
Income	(283,430)	(283,707)	(277)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>82,250</b>	<b>100,746</b>	<b>18,496</b>	
Indirect Expenditure	11,830	11,854	24	
<b>Net (Income)/Expenditure</b>	<b>94,080</b>	<b>112,600</b>	<b>18,520</b>	

**PARISH AND LOCAL LIAISON**

Direct Expenditure	205,820	205,130	(690)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>205,820</b>	<b>205,130</b>	<b>(690)</b>
Indirect Expenditure	7,250	7,268	18
<b>Net (Income)/Expenditure</b>	<b>213,070</b>	<b>212,398</b>	<b>(672)</b>

**PROCUREMENT**

Direct Expenditure	89,200	115,698	26,498	Due to increase in Procurement works it is anticipated external assistance will be required.
Income	(61,450)	(61,450)	0	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>27,750</b>	<b>54,248</b>	<b>26,498</b>	
Indirect Expenditure	14,920	14,926	6	
<b>Net (Income)/Expenditure</b>	<b>42,670</b>	<b>69,174</b>	<b>26,504</b>	

**PUBLIC RELATIONS AND MARKETING**

Direct Expenditure	288,690	348,949	60,259	The previous assumption that two temporary posts could be removed is no longer considered the case. This has resulted in higher than budgeted expenditure of £57,200.
Income	(6,500)	(4,000)	2,500	Advertising income from About Guildford is anticipated to reduce by £1,500.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>282,190</b>	<b>344,949</b>	<b>62,759</b>	
Indirect Expenditure	62,080	62,122	42	
<b>Net (Income)/Expenditure</b>	<b>344,270</b>	<b>407,071</b>	<b>62,801</b>	

**GUILDFORD YOUTH COUNCIL**

Direct Expenditure	4,850	4,745	(105)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>4,850</b>	<b>4,745</b>	<b>(105)</b>
Indirect Expenditure	5,190	5,208	18
<b>Net (Income)/Expenditure</b>	<b>10,040</b>	<b>9,953</b>	<b>(87)</b>

DEVELOPMENT	Revised Budget	Projected Outturn	Variance
	2017-2018	2017-2018	
<b>SERVICE SUMMARY</b>			
Direct Expenditure	8,465,059	8,568,616	103,557
Income	(13,679,390)	(12,623,350)	1,056,040
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(5,214,331)</b>	<b>(4,054,734)</b>	<b>1,159,597</b>
Indirect Expenditure	4,069,342	4,177,052	107,710
<b>Net (Income)/Expenditure</b>	<b>(1,144,989)</b>	<b>122,318</b>	<b>1,267,307</b>

**BUILDING CONTROL SUMMARY**

Direct Expenditure	774,260	707,697	(66,563)	There are salary savings arising from vacant posts which are currently being covered by agency staff and consultants. One post, the trainee building surveyor, will be covered by an apprentice and therefore funded centrally, producing a saving of £39,000 in the Building Control budget.
Income	(504,010)	(457,399)	46,611	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>270,250</b>	<b>250,298</b>	<b>(19,952)</b>	
Indirect Expenditure	138,780	138,846	66	
<b>Net (Income)/Expenditure</b>	<b>409,030</b>	<b>389,144</b>	<b>(19,886)</b>	

**BUSINESS FORUM**

Direct Expenditure	52,290	52,447	157
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>52,290</b>	<b>52,447</b>	<b>157</b>
Indirect Expenditure	920	926	6
<b>Net (Income)/Expenditure</b>	<b>53,210</b>	<b>53,373</b>	<b>163</b>

**DEVELOPMENT CONTROL**

Direct Expenditure	1,832,890	2,512,393	679,503	There are additional salary costs of £37,600 resultign from the use of agency staff. Planning appeal expenses are predicted to be £646,500 over budget broken down as follows: Howard of Effingham £89,000, Guildford Station £138,000 and Wisley Airfield £344,000 . This expenditure will be funded from the budget pressures reserve. £75,000 has also been earmarked for other planning appeal expenses.
Income	(1,388,540)	(1,397,503)	(8,963)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>444,350</b>	<b>1,114,890</b>	<b>670,540</b>	
Indirect Expenditure	586,520	589,091	2,571	
<b>Net (Income)/Expenditure</b>	<b>1,030,870</b>	<b>1,703,981</b>	<b>673,111</b>	

**INDUSTRIAL ESTATES**

Direct Expenditure	299,164	318,924	19,760	Rental income is greater than anticipated due to rent reviews at Slyfield and Midleton.
Income	(3,211,870)	(3,328,795)	(116,925)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(2,912,706)</b>	<b>(3,009,871)</b>	<b>(97,165)</b>	
Indirect Expenditure	310,656	324,207	13,551	
<b>Net (Income)/Expenditure</b>	<b>(2,602,050)</b>	<b>(2,685,664)</b>	<b>(83,614)</b>	

**INVESTMENT PROPERTY**

Direct Expenditure	175,500	199,175	23,675
Income	(5,681,260)	(5,691,135)	(9,875)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(5,505,760)</b>	<b>(5,491,960)</b>	<b>13,800</b>
Indirect Expenditure	282,500	304,876	22,376
<b>Net (Income)/Expenditure</b>	<b>(5,223,260)</b>	<b>(5,187,084)</b>	<b>36,176</b>

**LOCAL LAND CHARGES**

Direct Expenditure	234,700	219,655	(15,045)	
Income	(294,160)	(257,040)	37,120	Income is expected to be under budget at present.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(59,460)</b>	<b>(37,385)</b>	<b>22,075</b>	
Indirect Expenditure	35,620	35,641	21	
<b>Net (Income)/Expenditure</b>	<b>(23,840)</b>	<b>(1,744)</b>	<b>22,096</b>	

**MAJOR PROJECTS**

Direct Expenditure	1,625,380	1,313,354	(312,026)	Employee related costs are expected to be £59,200 over the revenue budget which takes into account a capital allocation of £283,500. This will be revised at each monitoring period as the individual projects move from revenue to capital. Town Centre Parking Strategy expenditure of £17,000 will be met from the Car Parks Maintenance Reserve and an additional £24,000 for the Street Scape Design project will also be met from the budget pressures reserve. Expenditure on consultants projected to date has been overstated and we anticipate an underspend of £412,000 for which a carry forward request will be made.
Income	(1,020,380)	0	1,020,380	Currently we are assuming that the One Public Estate grant totalling £100,000 will not be received and rental income from Bedford Wharf of £920,000 (Odeon Cinema and Old Orleans) will also not now be received. However we are assuming that the feasibility budget around the redevelopment of Bedford Wharf totalling £328,000 will be committed.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>605,000</b>	<b>1,313,354</b>	<b>708,354</b>	
Indirect Expenditure	1,396,520	1,396,580	60	
<b>Net (Income)/Expenditure</b>	<b>2,001,520</b>	<b>2,709,934</b>	<b>708,414</b>	

**OTHER PROPERTY**

Direct Expenditure	94,670	124,563	29,893	
Income	(212,070)	(160,287)	51,783	Rental income from New House is less than anticipated as the current tenants are expected to vacate shortly. The property is currently being marketed. Anticipated expenditure on Valuers Fess are currently £24,300.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(117,400)</b>	<b>(35,724)</b>	<b>81,676</b>	
Indirect Expenditure	109,970	116,262	6,292	
<b>Net (Income)/Expenditure</b>	<b>(7,430)</b>	<b>80,538</b>	<b>87,968</b>	

**POLICY**

Direct Expenditure	1,184,925	1,089,058	(95,867)	There will be salary savings of £118,200 due to vacant posts. Transport consultancy will be over budget by £63,600 and is covered by the salary saving. £6,500 of the CIL budget of £58,930 which was carried forward will now be spent in 2017-18. It is assumed that carry forward for the Self Build and Brownfield grant will be underspent by £17,600. Inspectors fees of £30,000 which were not budgeted for may be incurred towards the end of the financial year.
Income	(4,050)	(42,266)	(38,216)	Neighbourhood Plan grants are anticipated to be £40,000 in this financial year as Effingham and East Horsley reach the adoption stage.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>1,180,875</b>	<b>1,046,792</b>	<b>(134,083)</b>	
Indirect Expenditure	226,056	225,788	(268)	
<b>Net (Income)/Expenditure</b>	<b>1,406,931</b>	<b>1,272,580</b>	<b>(134,351)</b>	

**ASSET DEVELOPMENT**

Direct Expenditure	1,135,340	1,029,451	(105,889)	Salary savings resultign from vacancies will be covered in part by the use of agency staff.
Income	(1,076,800)	(1,076,806)	(6)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>58,540</b>	<b>(47,355)</b>	<b>(105,895)</b>	
Indirect Expenditure	325,460	389,192	63,732	
<b>Net (Income)/Expenditure</b>	<b>384,000</b>	<b>341,837</b>	<b>(42,163)</b>	

**SLYFIELD AREA REGENERATION PROJECT (SARP)**

Direct Expenditure	54,820	44,140	(10,680)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>54,820</b>	<b>44,140</b>	<b>(10,680)</b>	
Indirect Expenditure	526,950	526,968	18	
<b>Net (Income)/Expenditure</b>	<b>581,770</b>	<b>571,108</b>	<b>(10,662)</b>	

**TOURIST INFORMATION CENTRE**

Direct Expenditure	230,920	253,579	22,659	Higher than budgeted salary costs.
Income	(53,200)	(47,223)	5,977	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>177,720</b>	<b>206,356</b>	<b>28,636</b>	
Indirect Expenditure	30,830	30,904	74	
<b>Net (Income)/Expenditure</b>	<b>208,550</b>	<b>237,260</b>	<b>28,710</b>	

**BUSINESS AND TOURISM**

Direct Expenditure	649,720	581,662	(68,058)	The service retains the apprenticeship budget of £128,200 with actual salary costs allocated directly to individual services and the budget will therefore remain as a saving against the service. We do not anticipate the carry forward of £68,200 being required in this financial year. A sponsorship consultant will be engaged at a cost of £16,700. The Science and Arts Festival will be over budget by £10,000 which will be met from the corporate inflation budget. Tourism marketing will be over budget by £39,000.
Income	(151,500)	(124,583)	26,917	Anticipated income generated by the sponsorship officer is £33,300. Sponsorship income from the Science and Arts Festival will be £5,000. It is estimated that income generated from the website will not meet the budget of £30,000.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>498,220</b>	<b>457,079</b>	<b>(41,141)</b>	
Indirect Expenditure	78,930	78,129	(801)	
<b>Net (Income)/Expenditure</b>	<b>577,150</b>	<b>535,208</b>	<b>(41,942)</b>	

**TOWN CENTRE MANAGEMENT**

Direct Expenditure	120,480	122,518	2,038	
Income	(81,550)	(40,313)	41,237	Income from the profit share of town centre WiFi will not be achieved in full as a result of procurement delays.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>38,930</b>	<b>82,205</b>	<b>43,275</b>	
Indirect Expenditure	19,630	19,642	12	
<b>Net (Income)/Expenditure</b>	<b>58,560</b>	<b>101,847</b>	<b>43,287</b>	

**ENVIRONMENT**

	Revised Budget 2017-2018	Projected Outturn 2017-2018	Variance
<b>SERVICE SUMMARY</b>			
Direct Expenditure	27,665,677	27,306,041	(359,636)
Income	(25,795,473)	(26,190,616)	(395,143)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>1,870,204</b>	<b>1,115,425</b>	<b>(754,779)</b>
Indirect Expenditure	8,434,324	8,531,667	97,343
<b>Net (Income)/Expenditure</b>	<b>10,304,528</b>	<b>9,647,092</b>	<b>(657,436)</b>

**ABANDONED VEHICLES**

Direct Expenditure	32,860	36,366	3,506
Income	0	(177)	(177)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>32,860</b>	<b>36,189</b>	<b>3,329</b>
Indirect Expenditure	5,300	5,306	6
<b>Net (Income)/Expenditure</b>	<b>38,160</b>	<b>41,495</b>	<b>3,335</b>

**ARMED FORCES DAY**

Direct Expenditure	0	13	13
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>0</b>	<b>13</b>	<b>13</b>
<b>Net (Income)/Expenditure</b>	<b>0</b>	<b>13</b>	<b>13</b>

**CCTV SYSTEMS**

Direct Expenditure	80,430	72,315	(8,115)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>80,430</b>	<b>72,315</b>	<b>(8,115)</b>
Indirect Expenditure	22,510	25,584	3,074
<b>Net (Income)/Expenditure</b>	<b>102,940</b>	<b>97,899</b>	<b>(5,041)</b>

**CEMETERIES AND CLOSED CHURCHYARDS**

Direct Expenditure	307,634	273,881	(33,753)	The refurbishment of the messroom and tool shed at The Mount Cemetery has been cancelled reducing projected expenditure on R&M Planned Works by £37,000.
Income	(112,450)	(101,073)	11,377	Anticipated reduction in the profiled budget is £11,400.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>195,184</b>	<b>172,808</b>	<b>(22,376)</b>	
Indirect Expenditure	53,910	55,412	1,502	
<b>Net (Income)/Expenditure</b>	<b>249,094</b>	<b>228,220</b>	<b>(20,874)</b>	

**CLINICAL WASTE**

Direct Expenditure	10,790	9,872	(918)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>10,790</b>	<b>9,872</b>	<b>(918)</b>
Indirect Expenditure	1,900	1,900	0
<b>Net (Income)/Expenditure</b>	<b>12,690</b>	<b>11,772</b>	<b>(918)</b>

**CREMATORIUM**

Direct Expenditure	755,967	771,987	16,020	The unimplemented service review has resulted in an underspend of £58,500, this offsets an overspend on bought in services of £63,500 arising from continued use of Randalls Road crematorium, while a new cremator is being installed. The cost of the CAMEO permit for this cremator is £4,800 higher than estimated.
--------------------	---------	---------	--------	---

Income	(1,412,800)	(1,438,603)	(25,803)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(656,833)</b>	<b>(666,616)</b>	<b>(9,783)</b>
Indirect Expenditure	331,560	332,592	1,032
<b>Net (Income)/Expenditure</b>	<b>(325,273)</b>	<b>(334,024)</b>	<b>(8,751)</b>

**DOG CONTROL AND ANIMAL WELFARE**

Direct Expenditure	39,648	48,468	8,820
Income	(6,000)	(6,000)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>33,648</b>	<b>42,468</b>	<b>8,820</b>
Indirect Expenditure	16,690	16,696	6
<b>Net (Income)/Expenditure</b>	<b>50,338</b>	<b>59,164</b>	<b>8,826</b>

**ELECTRIC THEATRE**

Direct Expenditure	347,710	162,607	(185,103)	Operational responsibility has transferred to ACM
Income	(335,180)	(40,868)	294,312	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>12,530</b>	<b>121,739</b>	<b>109,209</b>	
Indirect Expenditure	128,510	128,754	244	
<b>Net (Income)/Expenditure</b>	<b>141,040</b>	<b>250,493</b>	<b>109,453</b>	

**FLEET MANAGEMENT SERVICE**

Direct Expenditure	1,119,860	1,149,740	29,880
Income	(2,128,350)	(2,135,758)	(7,408)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(1,008,490)</b>	<b>(986,018)</b>	<b>22,472</b>
Indirect Expenditure	988,860	988,974	114
<b>Net (Income)/Expenditure</b>	<b>(19,630)</b>	<b>2,956</b>	<b>22,586</b>

**ENGINEERING AND TRANSPORT SERVICES**

Direct Expenditure	366,800	368,699	1,899
Income	(428,430)	(444,330)	(15,900)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(61,630)</b>	<b>(75,631)</b>	<b>(14,001)</b>
Indirect Expenditure	64,660	65,954	1,294
<b>Net (Income)/Expenditure</b>	<b>3,030</b>	<b>(9,677)</b>	<b>(12,707)</b>

**GUILDFORD HOUSE**

Direct Expenditure	428,510	374,627	(53,883)	There are savings in the Guildford House repairs and maintenance budget of £25,000 as projects move to the capital expenditure phase.
Income	(67,400)	(66,619)	781	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>361,110</b>	<b>308,008</b>	<b>(53,102)</b>	
Indirect Expenditure	96,560	97,528	968	
<b>Net (Income)/Expenditure</b>	<b>457,670</b>	<b>405,536</b>	<b>(52,134)</b>	

**GUILDHALL**

Direct Expenditure	246,270	199,345	(46,925)	There are savings of £45,000 in the Guildhall repairs and maintenance budget as external decorations will not be carried out in this financial year. Roof repairs will continue as planned.
Income	(35,800)	(29,356)	6,444	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>210,470</b>	<b>169,989</b>	<b>(40,481)</b>	
Indirect Expenditure	52,010	56,743	4,733	
<b>Net (Income)/Expenditure</b>	<b>262,480</b>	<b>226,732</b>	<b>(35,748)</b>	

**LAND DRAINAGE**

Direct Expenditure	155,490	156,369	879	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>155,490</b>	<b>156,369</b>	<b>879</b>	
Indirect Expenditure	308,200	300,688	(7,512)	
<b>Net (Income)/Expenditure</b>	<b>463,690</b>	<b>457,057</b>	<b>(6,633)</b>	

**LEISURE ART DEVELOPMENT**

Direct Expenditure	81,150	83,222	2,072	
Income	(550)	(565)	(15)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>80,600</b>	<b>82,657</b>	<b>2,057</b>	
Indirect Expenditure	16,620	16,644	24	
<b>Net (Income)/Expenditure</b>	<b>97,220</b>	<b>99,301</b>	<b>2,081</b>	

**LEISURE COMMUNITY CENTRES**

Direct Expenditure	93,180	102,990	9,810	Additional property services works which will attract the relevant service charge.
Income	(1,410)	(1,410)	0	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>91,770</b>	<b>101,580</b>	<b>9,810</b>	
Indirect Expenditure	82,050	93,399	11,349	
<b>Net (Income)/Expenditure</b>	<b>173,820</b>	<b>194,979</b>	<b>21,159</b>	

**LEISURE G LIVE**

Direct Expenditure	408,080	406,561	(1,519)	
Income	(36,770)	(40,476)	(3,706)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>371,310</b>	<b>366,085</b>	<b>(5,225)</b>	
Indirect Expenditure	893,360	893,610	250	
<b>Net (Income)/Expenditure</b>	<b>1,264,670</b>	<b>1,259,695</b>	<b>(4,975)</b>	

**LEISURE GRANTS**

Direct Expenditure	436,160	435,832	(328)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>436,160</b>	<b>435,832</b>	<b>(328)</b>	
Indirect Expenditure	8,230	8,254	24	
<b>Net (Income)/Expenditure</b>	<b>444,390</b>	<b>444,086</b>	<b>(304)</b>	

**LEISURE MANAGEMENT CONTRACT**

Direct Expenditure	1,350,460	1,322,146	(28,314)	
Income	(1,531,260)	(1,530,329)	931	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(180,800)</b>	<b>(208,183)</b>	<b>(27,383)</b>	
Indirect Expenditure	1,629,900	1,629,534	(366)	
<b>Net (Income)/Expenditure</b>	<b>1,449,100</b>	<b>1,421,351</b>	<b>(27,749)</b>	



**LEISURE PLAY DEVELOPMENT**

Direct Expenditure	219,283	228,582	9,299	Play Development funded from additional casuals and overtime agreement £4,000. (Income to offset) Vacancy credit will not be met £2,700. Changes due to job evaluation has increased costs by £3,500.
Income	(53,433)	(69,755)	(16,322)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>165,850</b>	<b>158,827</b>	<b>(7,023)</b>	Fee income for holiday play is £16,000 above budget.
Indirect Expenditure	20,280	20,292	12	
<b>Net (Income)/Expenditure</b>	<b>186,130</b>	<b>179,119</b>	<b>(7,011)</b>	

**LEISURE RANGERS**

Direct Expenditure	208,020	214,816	6,796
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>208,020</b>	<b>214,816</b>	<b>6,796</b>
Indirect Expenditure	10,220	10,226	6
<b>Net (Income)/Expenditure</b>	<b>218,240</b>	<b>225,042</b>	<b>6,802</b>

**LEISURE SPORT DEVELOPMENT**

Direct Expenditure	80,210	81,745	1,535
Income	(5,000)	(5,000)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>75,210</b>	<b>76,745</b>	<b>1,535</b>
Indirect Expenditure	12,280	12,310	30
<b>Net (Income)/Expenditure</b>	<b>87,490</b>	<b>89,055</b>	<b>1,565</b>

**MARKETS**

Direct Expenditure	62,550	58,812	(3,738)
Income	(175,630)	(167,379)	8,251
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(113,080)</b>	<b>(108,567)</b>	<b>4,513</b>
Indirect Expenditure	7,720	7,726	6
<b>Net (Income)/Expenditure</b>	<b>(105,360)</b>	<b>(100,841)</b>	<b>4,519</b>

**MOT BAY**

Direct Expenditure	128,300	144,828	16,528
Income	(166,500)	(164,046)	2,454
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(38,200)</b>	<b>(19,218)</b>	<b>18,982</b>
Indirect Expenditure	23,690	23,702	12
<b>Net (Income)/Expenditure</b>	<b>(14,510)</b>	<b>4,484</b>	<b>18,994</b>

**GUILDFORD MUSEUM**

Direct Expenditure	484,960	489,532	4,572
Income	(106,680)	(107,598)	(918)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>378,280</b>	<b>381,934</b>	<b>3,654</b>
Indirect Expenditure	225,120	235,314	10,194
<b>Net (Income)/Expenditure</b>	<b>603,400</b>	<b>617,248</b>	<b>13,848</b>

**OFF STREET PARKING**

Direct Expenditure	3,795,180	3,649,376	(145,804)	Redecoration provision of £135,000 has been removed from the projected outturn due to a lack of resources to manage the project at Leapale Road MSCP.
Income	(10,095,910)	(10,218,899)	(122,989)	Meter and contract/season ticket charges income is £123,000 higher than budget. The projection also includes the ongoing effects of parking suspension income from the redevelopment of the Tunsgate centre until the end of January 2018.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(6,300,730)</b>	<b>(6,569,523)</b>	<b>(268,793)</b>	
Indirect Expenditure	1,197,880	1,211,424	13,544	
<b>Net (Income)/Expenditure</b>	<b>(5,102,850)</b>	<b>(5,358,099)</b>	<b>(255,249)</b>	

**ON STREET PARKING**

Direct Expenditure	1,185,620	1,207,414	21,794	The Off- Street signage budget is expected to be overspent by £20,000.
Income	(1,939,400)	(1,931,213)	8,187	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(753,780)</b>	<b>(723,799)</b>	<b>29,981</b>	
Indirect Expenditure	81,850	81,856	6	
<b>Net (Income)/Expenditure</b>	<b>(671,930)</b>	<b>(641,943)</b>	<b>29,987</b>	

**ORDNANCE SURVEY AND MAPPING SERVICES**

Direct Expenditure	3,430	3,519	89	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>3,430</b>	<b>3,519</b>	<b>89</b>	
Indirect Expenditure	10,980	8,672	(2,308)	
<b>Net (Income)/Expenditure</b>	<b>14,410</b>	<b>12,191</b>	<b>(2,219)</b>	

**PARKS AND COUNTRYSIDE**

Direct Expenditure	4,165,279	4,257,721	92,442	The forecast underspend of £89,200 on employees is due to vacancies, this includes the new external maintenance contract at Woodbridge Road £53,000. Overall planned maintenance costs are likely to be lower than expected by £20,360. This is offset by additional site costs arising from Traveller activity of £25,000. A budgeted saving of £100,000 arising from the transfer of Woodbridge Road to a trust is now deferred until 2018-19.
Income	(1,409,480)	(1,926,288)	(516,808)	SPA Fees for the future development and maintenance of green spaces are projected to exceed budget by £505,210. The element of these receipts will be used in the current year to fund revenue spending, with the remainder being transferred to reserve at year-end.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>2,755,799</b>	<b>2,331,433</b>	<b>(424,366)</b>	
Indirect Expenditure	673,104	706,876	33,772	
<b>Net (Income)/Expenditure</b>	<b>3,428,903</b>	<b>3,038,309</b>	<b>(390,594)</b>	

**PARK AND RIDE SERVICES**

Direct Expenditure	789,210	634,164	(155,046)	The service is now operated as a commercial venture, operating without subsidy. The only exception is Onslow for which there is a payment of £192,000
Income	(25,000)	(66,886)	(41,886)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>764,210</b>	<b>567,278</b>	<b>(196,932)</b>	
Indirect Expenditure	97,750	95,745	(2,005)	
<b>Net (Income)/Expenditure</b>	<b>861,960</b>	<b>663,023</b>	<b>(198,937)</b>	

**PUBLIC CONVENIENCES**

Direct Expenditure	346,208	285,720	(60,488)	Assessment of planned works
Income	(11,800)	(11,806)	(6)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>334,408</b>	<b>273,914</b>	<b>(60,494)</b>	
Indirect Expenditure	78,450	86,660	8,210	
<b>Net (Income)/Expenditure</b>	<b>412,858</b>	<b>360,574</b>	<b>(52,284)</b>	

**REFUSE AND RECYCLING**

Direct Expenditure	6,276,054	6,349,663	73,609	There is a predicted overspend of £145,600 on employee related expenditure due to the implementation of job evaluation, this is partly offset by vacancies and higher than anticipated usage of agency staff. The effects of the job evaluation will be met from reserve at year end. There is also a forecast underspend of £102,600 on recycling - gate fees, although this may change as a result of market volatility.
Income	(3,864,400)	(3,805,951)	58,449	Income forecast for recycling credits and garden waste receipts is £76,600 above budget. This is offset by a one off return of credits to SCC of £135,000 to assist with budget reductions. If the final position on income is not sufficient to cover the £135,000 rebate to SCC, the shortfall will be met from reserves.

<b>Total Directly Controllable (Income)/Expenditure</b>	<b>2,411,654</b>	<b>2,543,712</b>	<b>132,058</b>
Indirect Expenditure	776,710	776,896	186
<b>Net (Income)/Expenditure</b>	<b>3,188,364</b>	<b>3,320,608</b>	<b>132,244</b>

**RIVER CONTROL**

Direct Expenditure	31,180	32,236	1,056
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>31,180</b>	<b>32,236</b>	<b>1,056</b>
Indirect Expenditure	9,910	7,690	(2,220)
<b>Net (Income)/Expenditure</b>	<b>41,090</b>	<b>39,926</b>	<b>(1,164)</b>

**ROADS AND FOOTPATHS MAINTENANCE**

Direct Expenditure	41,210	45,428	4,218
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>41,210</b>	<b>45,428</b>	<b>4,218</b>
Indirect Expenditure	60,840	71,484	10,644
<b>Net (Income)/Expenditure</b>	<b>102,050</b>	<b>116,912</b>	<b>14,862</b>

**SNOW AND ICE PLAN HOLDING ACCOUNT**

Direct Expenditure	42,910	40,444	(2,466)
Income	(44,920)	(44,920)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(2,010)</b>	<b>(4,476)</b>	<b>(2,466)</b>
Indirect Expenditure	1,160	821	(339)
<b>Net (Income)/Expenditure</b>	<b>(850)</b>	<b>(3,655)</b>	<b>(2,805)</b>

**STREET CLEANSING**

Direct Expenditure	2,069,554	2,088,116	18,562
Income	(163,860)	(166,730)	(2,870)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>1,905,694</b>	<b>1,921,386</b>	<b>15,692</b>
Indirect Expenditure	141,120	141,168	48
<b>Net (Income)/Expenditure</b>	<b>2,046,814</b>	<b>2,062,554</b>	<b>15,740</b>

**STREET FURNITURE**

Direct Expenditure	57,600	61,948	4,348
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>57,600</b>	<b>61,948</b>	<b>4,348</b>
Indirect Expenditure	8,340	14,962	6,622
<b>Net (Income)/Expenditure</b>	<b>65,940</b>	<b>76,910</b>	<b>10,970</b>

**TRANSPORTATION**

Direct Expenditure	13,520	8,903	(4,617)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>13,520</b>	<b>8,903</b>	<b>(4,617)</b>
Indirect Expenditure	6,020	8,232	2,212
<b>Net (Income)/Expenditure</b>	<b>19,540</b>	<b>17,135</b>	<b>(2,405)</b>

**VEHICLE MAINTENANCE WORKSHOP**

Direct Expenditure	807,030	845,169	38,139	Variation in the level of work undertaken. See income.
Income	(864,670)	(894,670)	(30,000)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(57,640)</b>	<b>(49,501)</b>	<b>8,139</b>	
Indirect Expenditure	49,620	49,650	30	
<b>Net (Income)/Expenditure</b>	<b>(8,020)</b>	<b>149</b>	<b>8,169</b>	

**WORKS ANCILLARY SERVICES**

Direct Expenditure	0	26	26
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>0</b>	<b>26</b>	<b>26</b>
<b>Net (Income)/Expenditure</b>	<b>0</b>	<b>26</b>	<b>26</b>

**WOKING ROAD DEPOT**

Direct Expenditure	426,310	441,135	14,825
Income	(540,820)	(542,299)	(1,479)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(114,510)</b>	<b>(101,164)</b>	<b>13,346</b>
Indirect Expenditure	182,600	184,521	1,921
<b>Net (Income)/Expenditure</b>	<b>68,090</b>	<b>83,357</b>	<b>15,267</b>

**RECYCLING, CLEANSING AND PARKING SERVICES OVERHEAD ACCOUNT**

Direct Expenditure	171,060	161,704	(9,356)
Income	(231,570)	(231,612)	(42)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(60,510)</b>	<b>(69,908)</b>	<b>(9,398)</b>
Indirect Expenditure	57,850	57,868	18
<b>Net (Income)/Expenditure</b>	<b>(2,660)</b>	<b>(12,040)</b>	<b>(9,380)</b>

**MANAGING DIRECTOR**

Revised Budget    Projected Outturn    Variance  
 2017-2018                      2017-2018

Appendix 2

<b>SERVICE SUMMARY</b>			
Direct Expenditure	274,000	521,478	247,478
Income	(674,860)	(674,860)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(400,860)</b>	<b>(153,382)</b>	<b>247,478</b>
Indirect Expenditure	75,250	75,298	48
<b>Net (Income)/Expenditure</b>	<b>(325,610)</b>	<b>(78,084)</b>	<b>247,526</b>

**INTERNAL AUDIT**

Direct Expenditure	397,839	303,224	(94,615)
Income	(406,100)	(406,100)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(8,261)</b>	<b>(102,876)</b>	<b>(94,615)</b>
Indirect Expenditure	46,040	46,058	18
<b>Net (Income)/Expenditure</b>	<b>37,779</b>	<b>(56,818)</b>	<b>(94,597)</b>

Salary savings resulting from the delayed implementation of a service review. It is assumed that the carry forward for internal audit consultancy totalling £55,730 will be committed during 2017-18.

**BUSINESS IMPROVEMENT**

Direct Expenditure	(123,839)	218,254	342,093
Income	(268,760)	(268,760)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(392,599)</b>	<b>(50,506)</b>	<b>342,093</b>
Indirect Expenditure	29,210	29,240	30
<b>Net (Income)/Expenditure</b>	<b>(363,389)</b>	<b>(21,266)</b>	<b>342,123</b>

Salary staffings build into the budget arising from the Council wide service transformation and review programme are included in the Business Improvement account. Programme savings are shown as part of the actual in the individual service accounts.

**RESOURCES DIRECTORATE**

Revised Budget    Projected Outturn    Variance  
 2017-2018                      2017-2018

Appendix 2

<b>SERVICE SUMMARY</b>	2017-2018	2017-2018	Variance
Direct Expenditure	45,142,180	45,014,992	(127,188)
Income	(43,497,310)	(42,635,005)	862,305
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>1,644,870</b>	<b>2,379,987</b>	<b>735,117</b>
Indirect Expenditure	2,206,176	2,218,187	12,011
<b>Net (Income)/Expenditure</b>	<b>3,851,046</b>	<b>4,598,174</b>	<b>747,128</b>

**ACCOUNTANCY**

Direct Expenditure	789,280	837,005	47,725
Income	(904,280)	(904,460)	(180)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(115,000)</b>	<b>(67,455)</b>	<b>47,545</b>
Indirect Expenditure	141,020	141,056	36
<b>Net (Income)/Expenditure</b>	<b>26,020</b>	<b>73,601</b>	<b>47,581</b>

Redundancy costs totalling £59,000 arising from a service restructure will be funded from the invest to save reserve. One-off agency costs totalling £27,000 have been incurred to provide short term cover, facilitating the restructure.

**BUSINESS RATES**

Direct Expenditure	201,640	212,287	10,647
Income	(269,210)	(269,233)	(23)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(67,570)</b>	<b>(56,946)</b>	<b>10,624</b>
Indirect Expenditure	48,150	48,210	60
<b>Net (Income)/Expenditure</b>	<b>(19,420)</b>	<b>(8,736)</b>	<b>10,684</b>

**ICT BUSINESS SERVICES TEAM**

Direct Expenditure	689,420	562,380	(127,040)
Income	(793,790)	(793,946)	(156)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(104,370)</b>	<b>(231,566)</b>	<b>(127,196)</b>
Indirect Expenditure	117,760	117,826	66
<b>Net (Income)/Expenditure</b>	<b>13,390</b>	<b>(113,740)</b>	<b>(127,130)</b>

There are salary savings resulting from vacant posts. Adjustments have been made in this period to reflect the new ICT structure with greater anticipated expenditure in the Customer and Technical Support Service. It is assumed at present that the growth bid for the CRM system of £50,000 will be spent in this financial year. Customer Service Centre salaries and agency costs are over budget by £62,900 and the anticipated saving will not be achieved.

**CLIMATE CHANGE**

Direct Expenditure	362,280	291,433	(70,847)
Income	(360,180)	(369,615)	(9,435)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>2,100</b>	<b>(78,182)</b>	<b>(80,282)</b>
Indirect Expenditure	55,620	55,662	42
<b>Net (Income)/Expenditure</b>	<b>57,720</b>	<b>(22,520)</b>	<b>(80,240)</b>

Salary savings resulting from a number of vacant posts.

#### CORPORATE FINANCIAL

Direct Expenditure	162,250	177,236	14,986
Income	(160,590)	(160,590)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>1,660</b>	<b>16,646</b>	<b>14,986</b>
Indirect Expenditure	256,830	256,920	90
<b>Net (Income)/Expenditure</b>	<b>258,490</b>	<b>273,566</b>	<b>15,076</b>

#### COUNCIL TAX

Direct Expenditure	710,230	618,151	(92,079) Salary savings resulting from vacancies, pending the outcome of a service restructure.
Income	(300,000)	(235,000)	65,000
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>410,230</b>	<b>383,151</b>	<b>(27,079)</b>
Indirect Expenditure	172,360	172,414	54
<b>Net (Income)/Expenditure</b>	<b>582,590</b>	<b>555,565</b>	<b>(27,025)</b>

#### ICT CUSTOMER TECHNICAL SUPPORT

Direct Expenditure	968,080	1,192,930	224,850 Salary savings due to vacancies will fund temporary agency staff. Redundancy costs arising from the recent restructure will be funded from the invest to save reserve. Computer maintenance and licence cost are projected to be £23,500 higher than budget. The data centre budget of £135,000 will be required in this financial year. Consultancy costs of £43,000 for the Windows 10 upgrade were unbudgeted.
Income	(1,057,360)	(1,058,062)	(702)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(89,280)</b>	<b>134,868</b>	<b>224,148</b>
Indirect Expenditure	86,110	86,140	30
<b>Net (Income)/Expenditure</b>	<b>(3,170)</b>	<b>221,008</b>	<b>224,178</b>

#### FEASIBILITY STUDIES

Direct Expenditure	42,000	43,060	1,060
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>42,000</b>	<b>43,060</b>	<b>1,060</b>
Indirect Expenditure	200	200	0
<b>Net (Income)/Expenditure</b>	<b>42,200</b>	<b>43,260</b>	<b>1,060</b>

#### DEBTORS

Direct Expenditure	155,850	170,139	14,289
Income	(203,250)	(207,579)	(4,329)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(47,400)</b>	<b>(37,440)</b>	<b>9,960</b>
Indirect Expenditure	49,160	49,166	6
<b>Net (Income)/Expenditure</b>	<b>1,760</b>	<b>11,726</b>	<b>9,966</b>

#### HOUSING BENEFITS

Direct Expenditure	34,995,090	34,175,706	(819,384) Variation in the claimant assumption. This is reflected in a corresponding adjustment in the costs recovered from DWP (see income)
Income	(34,854,980)	(33,998,697)	856,283
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>140,110</b>	<b>177,009</b>	<b>36,899</b>
Indirect Expenditure	208,080	207,522	(558)
<b>Net (Income)/Expenditure</b>	<b>348,190</b>	<b>384,531</b>	<b>36,341</b>

**INFORMATION SYSTEMS TEAM**

Direct Expenditure	345,810	369,331	23,521
Income	(324,790)	(323,422)	1,368
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>21,020</b>	<b>45,909</b>	<b>24,889</b>
Indirect Expenditure	49,190	48,949	(241)
<b>Net (Income)/Expenditure</b>	<b>70,210</b>	<b>94,858</b>	<b>24,648</b>

**INSURANCE REVENUE ACCOUNT**

Direct Expenditure	1,001,860	1,011,748	9,888
Income	(1,005,860)	(1,091,574)	(85,714)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(4,000)</b>	<b>(79,826)</b>	<b>(75,826)</b>
Indirect Expenditure	4,770	4,776	6
<b>Net (Income)/Expenditure</b>	<b>770</b>	<b>(75,050)</b>	<b>(75,820)</b>

The balance on the Insurance Revenue Account will be transferred to reserve at year-end

**IT RENEWALS REVENUE ACCOUNT**

Income	(602,150)	(602,150)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(602,150)</b>	<b>(602,150)</b>	<b>0</b>
Indirect Expenditure	343,070	343,094	24
<b>Net (Income)/Expenditure</b>	<b>(259,080)</b>	<b>(259,056)</b>	<b>24</b>

**MISCELLANEOUS ITEMS**

Direct Expenditure	7,660	338,901	331,241
Income	428,390	(10,316)	(438,706)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>436,050</b>	<b>328,585</b>	<b>(107,465)</b>
Indirect Expenditure	350	350	0
<b>Net (Income)/Expenditure</b>	<b>436,400</b>	<b>328,935</b>	<b>(107,465)</b>

For budget purposes assumptions regarding slippage in revenue growth bids are held in Miscellaneous Items. In addition, a corporate inflation budget to support service pressures and the implications of other corporate proposals are shown here.

Movement in the assumed position regarding external grant support.

**OFFICE SERVICES TEAM**

Direct Expenditure	1,588,840	1,566,792	(22,048)
Income	(2,006,800)	(1,905,080)	101,720
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(417,960)</b>	<b>(338,288)</b>	<b>79,672</b>
Indirect Expenditure	473,836	486,118	12,282
<b>Net (Income)/Expenditure</b>	<b>55,876</b>	<b>147,830</b>	<b>91,954</b>

The canteen catering budget is expected to be underspent by £25,000. Rental income from Millmead House will achieve £5,000 of the £94,500 budget. Surrey County Council have declined further office space and although other tenants are being sought significant occupancy will not be reached in this financial year.



**EPAYMENTS AND PAYROLL**

Direct Expenditure	500,510	547,529	47,019	Redundancy costs arising from a restructure will be funded from the invest to save reserve.
Income	(673,730)	(672,831)	899	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(173,220)</b>	<b>(125,302)</b>	<b>47,918</b>	
Indirect Expenditure	169,330	169,426	96	
<b>Net (Income)/Expenditure</b>	<b>(3,890)</b>	<b>44,124</b>	<b>48,014</b>	

**NON DISTRIBUTED COSTS**

Direct Expenditure	2,294,390	2,294,390	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>2,294,390</b>	<b>2,294,390</b>	<b>0</b>
Indirect Expenditure	350	350	0
<b>Net (Income)/Expenditure</b>	<b>2,294,740</b>	<b>2,294,740</b>	<b>0</b>

**THE VILLAGE**

Direct Expenditure	105,000	374,762	269,762	Following confirmation from the Valuation Office, Business Rates for The Village will total £125,000, which was significantly higher than the working assumption. It is anticipated we will recover £36,000 of this cost. Other expenditure is now anticipated to be £110,400 resulting from an increase in event costs and general marketing.
Income	(408,730)	(32,450)	376,280	Income from rents is expected to achieve £27,850 of the £408,800 budget.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(303,730)</b>	<b>342,312</b>	<b>646,042</b>	
<b>Net (Income)/Expenditure</b>	<b>(303,730)</b>	<b>342,312</b>	<b>646,042</b>	

**WEBSITE**

Direct Expenditure	221,990	231,212	9,222
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>221,990</b>	<b>231,212</b>	<b>9,222</b>
Indirect Expenditure	29,990	30,008	18
<b>Net (Income)/Expenditure</b>	<b>251,980</b>	<b>261,220</b>	<b>9,240</b>

This page is intentionally left blank

HOUSING REVENUE ACCOUNT SUMMARY - BUDGET MONITOR (APRIL 2017 - SEPT 2017)

APPENDIX 3

2015-16 Actual £	2016-17 Draft Actual £	Analysis	2017-18 Estimate £	2017-18 Projection £
		<b>Borough Housing Services</b>		
684,834	654,594	Income Collection	661,540	625,248
961,284	1,004,169	Tenants Services	935,150	924,833
94,149	71,395	Tenant Participation	139,110	88,983
71,964	68,906	Garage Management	71,080	68,959
63,133	62,795	Elderly Persons Dwellings	63,530	63,746
566,292	489,812	Flats Communal Services	410,770	515,792
414,610	473,413	Environmental Works to Estates	540,570	489,663
4,752,742	5,088,818	Responsive & Planned Maintenance	5,167,820	5,167,820
136,164	149,529	SOCH & Equity Share Administration	133,290	124,850
<b>7,745,172</b>	<b>8,063,430</b>		<b>8,122,860</b>	<b>8,069,895</b>
		<b>Strategic Housing Services</b>		
398,983	393,556	Advice, Registers & Tenant Selection	348,620	349,360
191,815	199,230	Void Property Management & Lettings	170,650	199,643
7,359	10,098	Homelessness Hostels	9,130	9,122
217,175	200,681	Supported Housing Management	202,710	180,209
430,396	593,967	Strategic Support to the HRA	387,900	382,821
<b>1,245,728</b>	<b>1,397,533</b>		<b>1,119,010</b>	<b>1,121,155</b>
		<b>Community Services</b>		
897,939	822,862	Sheltered Housing	875,690	814,275
		<b>Other Items</b>		
6,437,625	6,703,540	Depreciation	5,000,000	5,000,000
(1,156,635)	2,661,783	Revaluation and other Capital items	0	0
85,409	147,485	Debt Management	159,440	159,440
0	0	Rent Rebates	0	0
154,473	154,218	Other Items	649,220	649,220
<b>15,409,711</b>	<b>19,950,851</b>	<b>Total Expenditure</b>	<b>15,926,220</b>	<b>15,813,984</b>
(32,592,728)	(32,623,860)	Income	(31,749,670)	(32,198,166)
<b>(17,183,017)</b>	<b>(12,673,009)</b>	<b>Net Cost of Services(per inc &amp; exp a/c)</b>	<b>(15,823,450)</b>	<b>(16,384,181)</b>
<b>241,767</b>	<b>259,861</b>	HRA share of CDC	<b>238,230</b>	<b>238,230</b>
<b>(16,941,250)</b>	<b>(12,413,148)</b>	<b>Net Cost of HRA Services</b>	<b>(15,585,220)</b>	<b>(16,145,951)</b>
(332,979)	(508,072)	Investment Income	(364,250)	(364,250)
5,173,010	5,022,423	Interest Payable	5,143,050	5,143,050
<b>(12,101,219)</b>	<b>(7,898,797)</b>	<b>Deficit for Year on HRA Services</b>	<b>(10,806,420)</b>	<b>(11,367,151)</b>
		REFCUS - Revenue funded from capital	75,000	75,000
2,500,000	2,500,000	Contrib to/(Use of) RFFC	2,500,000	2,500,000
8,435,425	7,966,069	Contrib to/(Use of) New Build Reserve	8,231,420	8,792,151
0	0	CERA - Capital Expenditure from revenue	0	0
31,451	121,431	Tfr (fr) to Pensions Reserve	0	0
1,165,390	(2,648,007)	Tfr (from)/to CAA re: Revaluation	0	0
0	(25,420)	Tfr (from)/to CAA re: REFCUS	0	0
(8,755)	(13,775)	Tfr (from)/to CAA re: Intangible assets	0	0
(22,292)	(1,500)	Tfr (from)/to CAA re: rev. inc. from sale of asset	0	0
<b>(0)</b>	<b>(0)</b>	<b>HRA Balance</b>	<b>0</b>	<b>(0)</b>
(2,500,000)	(2,500,000)	Balance Brought Forward	(2,500,000)	(2,500,000)
<b>(2,500,000)</b>	<b>(2,500,000)</b>	<b>Balance Carried Forward</b>	<b>(2,500,000)</b>	<b>(2,500,000)</b>

2015-16 Actual £	2016-17 Draft Actual £	Analysis	2017-18 Estimate £	2017-18 Projection £
		<b>Borough Housing Services</b>		
(29,937,928)	(29,850,855)	Rent Income - Dwellings	(29,062,000)	(29,609,990)
(203,864)	(213,964)	Rent Income - Rosebery Hsg Assoc	(203,860)	(205,553)
(194,792)	(194,263)	Rents - Shops, Buildings etc	(181,000)	(194,366)
(661,341)	(677,827)	Rents - Garages	(730,000)	(705,327)
<b>(30,997,925)</b>	<b>(30,936,909)</b>	<b>Total Rent Income</b>	<b>(30,176,860)</b>	<b>(30,715,236)</b>
(300,297)	(345,764)	Supporting People Grant	(250,000)	(265,693)
(970,273)	(961,529)	Service Charges	(978,680)	(971,320)
(27,549)	(5,155)	Legal Fees Recovered	(28,000)	(28,000)
0.00	0	Council Tax Recovered	0	0
(39,590)	(40,025)	Service Charges Recovered	(54,550)	(40,275)
(257,094)	(334,477)	Miscellaneous Income	(261,580)	(177,641)
<b>(32,592,728)</b>	<b>(32,623,860)</b>	<b>Total Income</b>	<b>(31,749,670)</b>	<b>(32,198,166)</b>

This page is intentionally left blank

GENERAL FUND CAPITAL PROGRAMME - ESTIMATED EXPENDITURE 2017-18 to 2022-23

APPENDIX 4

Ref	Directorate/Service and Capital Scheme name	Approved gross estimate (a) £000	Cumulative spend at 31-03-17 (b) £000	Estimate approved by Council in February (c) £000	2017-18			2018-19 Est for year (j) £000	2019-20 Est for year (k) £000	2020-21 Est for year (l) £000	2021-22 Est for year (m) £000	Future years est exp (n) £000	Projected expenditure total (b)+(g) = (h) £000	Grants / Contributions towards cost of scheme (i) £000	Net cost of scheme (h)-(i) = (j) £000
					Revised estimate (d) £000	Expenditure at 12.10.17 (e) £000	Projected exp est by project officer (f) £000								
<b>APPROVED SCHEMES</b>															
<b>COMMUNITY</b>															
<b>Neighbourhood &amp; housing management</b>															
P2	Safer Guildford: CCTV & Lighting Strategy - Lighting Strategy phase 3	116	105	-	11	-	11	-	-	-	-	116	-	116	
P3	Safer Guildford: CCTV & Lighting Strategy - Lighting Strategy phase 4	136	132	-	4	1	4	-	-	-	-	136	(6)	130	
HC3	Furniture link guildford ( No longer required)	30	-	-	30	-	-	-	-	-	-	-	-	-	
ED30	Home Farm, Effingham - provision of Gypsy and Traveller pitches	1,000	230	655	770	587	770	-	-	-	-	1,000	-	1,000	
<b>General Fund Housing</b>															
	Disabled Facilities Grants			450	450	220	450	-				450	-	450	
	Home Improvement Assistance			40	40	27	40	-				40	-	40	
	Solar Energy Loans			30	30	-	30	-				30	-	30	
	SHIP			-	-	2	-	-				-	-	-	
	General Grants to HAs			100	100	-	100	100	100	100	400	500	-	500	
	General feasibility, site preparation costs for affordable housing			120	135		60	120	120	120	480	540	-	540	
	Bright Hill Car Park Site		4			8	8					12	-	12	
	Ladymead/Fire Station site preparation		69			16	16					85	-	85	
	Garage Sites-General		146			5	5					151	-	151	
	Garage Sites Phase 1		1			0	0					1	-	1	
	Guildford Park Car Park		311			39	39					350	-	350	
	Apple Tree Pub Site		66			7	7					72	-	72	
<b>COMMUNITY DIRECTORATE TOTAL</b>		<b>1,282</b>	<b>1,064</b>	<b>1,395</b>	<b>1,570</b>	<b>912</b>	<b>1,540</b>	<b>220</b>	<b>220</b>	<b>220</b>	<b>220</b>	<b>880</b>	<b>3,484</b>	<b>(6)</b>	<b>3,478</b>
<b>CORPORATE</b>															
no projects															
<b>DEVELOPMENT</b>															
<b>Economic development</b>															
ED3/15	Disabled Access (DDA) Improvements: ph.2 & 3	390	344	42	46	1	10	36	-	-	-	36	390	-	390
ED14(e)	Void investment property refurbishment works	400	196	-	144	-	30	116	-	-	-	116	400	-	400
ED14(f)	Foundation Unit 1 Middleton				10	8	8								
ED14(g)	Unit 4 Middleton				50	-	50								
	16 Ent Est void works					4									
ED18	Museum and castle development	267	3	17	264	21	100	164	-	-	-	164	267	-	267
ED19	Asbestos surveys and removal in non-residential council premises	158	86	32	40	5	30	42	-	-	-	42	158	-	158
ED21	Methane gas monitoring system	100	40	-	60	-	60	-	-	-	-	100	-	100	
ED22	Energy efficiency compliance - Council owned properties	45	8	-	37	-	20	17	-	-	-	17	45	-	45
ED23	Rebuild retaining wall on Shalford Park boundary with the Old Vicarage	60	3	-	57	17	40	-	-	-	-	43	(20)	23	
ED26	Bridges -Inspections and remedial works	117	148	-	(31)	20	(33)	-	-	-	-	115	-	115	
ED26@	Bridges - Millmead Footbridge(complete)					2	2								
ED29	Guildford House courtyard (Complete)	7	5	-	2	-	2	-	-	-	-	7	-	7	
ED35	Electric Theatre - new boilers	120	-	120	120	-	120	-	-	-	-	120	-	120	
ED39	Gfd business incubation project (No longer required)	110	-	-	110	-	-	-	-	-	-	-	-	-	
ED41	The Billings roof	200	13	150	187	-	10	177	-	-	-	177	200	-	200
ED42	Guildford house dampproofing- removal of decayed timber panelling and mathematical tiling at high level	20	-	-	20	0	20	-	-	-	-	20	-	20	
ED44	Broadwater cottage	74	0	-	74	1	60	14	-	-	-	14	74	-	74
ED45	Gunpowder mills - scheduled ancient monument	50	-	-	50	0	10	40	-	-	-	40	50	-	50
ED46	New House - short term works following acquisition	70	-	-	70	-	70	-	-	-	-	70	-	70	
ED52(p)	Chapel Street (Castle Street/Tunsgate Public Realm Scheme)	835	-	835	835	-	835	-	-	-	-	835	-	835	

Ref	Directorate/Service and Capital Scheme name	Approved gross estimate (a) £000	Cumulative spend at 31-03-17 (b) £000	2017-18				2018-19 Est for year (i) £000	2019-20 Est for year (ii) £000	2020-21 Est for year (iii) £000	2021-22 Est for year (iv) £000	Future years est exp (g) £000	Projected expenditure total (b)+(g) = (h) £000	Grants / Contributions towards cost of scheme (i) £000	Net cost of scheme (h)-(i) = (j) £000
				Estimate approved by Council in February (c) £000	Revised estimate (d) £000	Expenditure at 12.10.17 (e) £000	Projected exp est by project officer (f) £000								
ED53	Site clearance costs ahead of sale of Burpham Court Farm Buildings	50	-	-	50	-	50	-	-	-	-	-	50	-	50
P1	<b>PLANNING SERVICES</b> Environmental Improvements: High Street / Chertsey St., Guildford	60	-	60	60	-	-	-	-	-	-	-	-	(20)	(20)
P4	Guildford Riverside Route Ph 1 (part SPA) complete	708	636	-	72	2	2	-	-	-	-	-	638	(531)	107
<b>DEVELOPMENT DIRECTORATE TOTAL</b>		<b>3,841</b>	<b>1,481</b>	<b>1,256</b>	<b>2,327</b>	<b>81</b>	<b>1,496</b>	<b>606</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>606</b>	<b>3,581</b>	<b>(571)</b>	<b>3,010</b>
<b>ENVIRONMENT</b>															
<b>Operational Services</b>															
OP1	Safer Guildford: CCTV & Lighting Strategy - CCTV etc. phase	93	82	-	11	-	11	-	-	-	-	-	93	-	93
OP3	Sluice Gates Motorisation at Town Mill Toll House(complete)	70	64	-	6	-	-	-	-	-	-	-	64	-	64
OP5	Mill Lane (Pirbright) Flood Protection Scheme	71	55	-	16	-	-	16	-	-	-	16	71	(19)	52
OP6	Vehicles, Plant & Equipment Replacement Programme	6,445	5,018	300	827	89	827	600	-	-	-	600	6,445	-	6,445
	Ash Surface Water (grant funded)	22	22	-	-	-	-	-	-	-	-	-	22	(22)	0
	William Road Flood (grant funded)	15	15	-	-	-	-	-	-	-	-	-	15	(15)	0
OP19	Flexford Flood (EA grant)	50	59	-	-	-	-	-	-	-	-	-	59	(59)	0
Opxx	Ashenden rd (EA grant)	3	3	-	-	-	-	-	-	-	-	-	3	(3)	0
OP20	Flood resilience measures (use in conjunction with grant funded schemes)	100	-	100	100	-	-	-	100	-	-	100	100	-	100
OP22	Litter bins replacement	265	31	230	234	26	234	-	-	-	-	-	265	-	265
OP23	Flats recycling - new bins	50	19	-	31	9	31	-	-	-	-	-	50	-	50
OP24	WRD security barriers	15	11	-	4	1	4	-	-	-	-	-	15	-	15
OP25	WRD roads and footpaths	150	59	100	91	-	11	40	40	-	-	80	150	-	150
OP26	Merrow lane grille & headwall construction	60	3	-	57	-	5	52	-	-	-	52	60	-	60
OP27	Merrow & Burpham surface water study	15	-	-	15	-	-	15	-	-	-	15	15	-	15
OP28	Crown court CCTV	10	-	-	10	-	10	-	-	-	-	-	10	-	10
<b>Parks and Leisure</b>															
PL4	Crematorium - mercury abatement/new cremators	1,266	988	-	278	83	278	-	-	-	-	-	1,266	-	1,266
PL11	Spectrum Roof replacement	4,000	147	3,420	3,464	460	2,503	-	-	-	-	-	2,650	-	2,650
	Spectrum roof - steelwork ph2	-	389	-	-	1	1	-	-	-	-	-	390	-	390
	Spectrum roof - steelwork ph3	-	-	-	-	160	160	-	-	-	-	-	160	-	160
PL15	<u>Infrastructure works: Guildford Commons</u>	150	-	-	-	-	-	-	-	-	-	-	-	-	-
PL15(a)	Infrastructure works: Guildford Commons: Merrow	-	10	10	13	-	13	-	-	-	-	-	23	-	23
PL15(b)	Infrastructure works: Guildford Commons: Shalford	-	63	40	44	17	27	33	-	-	-	33	123	-	123
PL15(c)	Infrastructure works: Guildford Commons: Compton (complete)	-	-	-	4	3	3	-	-	-	-	-	3	-	3
PL20(a)	Onslow Rec play area	174	156	-	18	9	18	-	-	-	-	-	174	-	174
PL20(b)	Westnye Gardens play area	125	-	125	125	-	15	110	-	-	-	110	125	-	125
PL22	Stoke Park Paddling Pool (ph1&2)	423	376	-	47	33	40	-	-	-	-	-	416	-	416
PL26	Replacement roundabout planters	20	18	-	2	2	2	-	-	-	-	-	20	-	20
PL32	Stoke Park Bowls Club	102	-	-	62	74	102	-	-	-	-	-	102	(40)	62
PL34	Stoke cemetery re-tarmac	47	-	-	47	-	-	47	-	-	-	47	47	-	47
PL35	Woodbridge rd sportsground replace fencing	160	38	-	122	1	122	-	-	-	-	-	160	-	160
PL36	Stoke Park Composting facility	105	-	105	105	-	-	105	-	-	-	105	105	-	105
PL38	Chantry wood campsite	216	3	200	213	3	3	210	-	-	-	210	216	-	216
PL40	Replace hanging basket posts	88	13	-	75	40	75	-	-	-	-	-	88	(44)	44
PL41	Stoke pk office accomodation & storage buildings (Greenhouse)Complete	65	15	-	50	55	55	-	-	-	-	-	70	-	70
PL42	Pre-sang costs	100	1	-	99	17	20	79	-	-	-	79	100	-	100
PL43	Stoke Cemetery Chapel - phase 2	75	0	3	3	1	3	72	-	-	-	72	75	-	75
PL46(p)	Replace stoke pk gardens attendant hut/visitor information	70	0	70	120	7	120	-	-	-	-	-	120	-	120
PL50	Countryside fence replacement	97	-	50	50	-	50	47	-	-	-	47	97	-	97

Ref	Directorate/Service and Capital Scheme name	Approved gross estimate (a) £000	Cumulative spend at 31-03-17 (b) £000	2017-18				2018-19 Est for year (i) £000	2019-20 Est for year (ii) £000	2020-21 Est for year (iii) £000	2021-22 Est for year (iv) £000	Future years est exp (g) £000	Projected expenditure total (b)+(g) = (h) £000	Grants / Contributions towards cost of scheme (i) £000	Net cost of scheme (h)-(i) = (j) £000
				Estimate approved by Council in February (c) £000	Revised estimate (d) £000	Expenditure at 12.10.17 (e) £000	Projected exp est by project officer (f) £000								
	Purchase of Park Iroko Timber Bins				22		22								
	<b>ENVIRONMENT TOTAL DIRECTORATE</b>	<b>14,717</b>	<b>7,657</b>	<b>4,753</b>	<b>6,365</b>	<b>1,090</b>	<b>4,765</b>	<b>1,426</b>	<b>140</b>	<b>-</b>	<b>-</b>	<b>1,566</b>	<b>13,966</b>	<b>(202)</b>	<b>13,764</b>
	<b>RESOURCES</b>														
	<b>Business Systems</b>														
BS1	Investment in Millmead House campus	3,884	3,828	-	56	38	56	-	-	-	-	-	3,884	-	3,884
BS2	Millmead House Toilet refurb	121	13	-	108	47	108	-	-	-	-	-	121	-	121
	<b>Financial Services</b>														
FS1	Capital contingency fund	annual	-	5,000	4,577	-	4,577	5,000	5,000	5,000	5,000	20,000	24,577	-	24,577
	<b>RESOURCES DIRECTORATE TOTAL</b>	<b>4,005</b>	<b>3,841</b>	<b>5,000</b>	<b>4,741</b>	<b>85</b>	<b>4,741</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>20,000</b>	<b>28,582</b>	<b>0</b>	<b>28,582</b>
	<b>DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS</b>														
ED25	Guildford Park - new MSCP and infrastructure works	6,500	503	4,500	5,997	333	5,997	-	-	-	-	-	6,500	-	6,500
ED32	Clay lane link road	700	802	-	(102)	130	(102)	-	-	-	-	-	700	-	700
ED6	Slyfield Area Regeneration Project (SARP)	1,984	217	-	1,767	197	1,767	-	-	-	-	-	1,984	-	1,984
ED27	North Street Development / Guild Town Centre regeneration	977	640	100	237	37	237	100	-	-	-	100	977	(50)	927
ED27a	Pop up Village(complete)	553	695	-	100	100	100	-	-	-	-	-	795	-	795
	Investment in North Downs Housing	24,340	1,440	3,300	3,300	-	3,300	10,440	-	-	-	10,440	15,180	-	15,180
	Equity shares in Guildford Holdings Ltd	960	960	2,200	2,200	-	2,200	6,960	-	-	-	6,960	10,120	-	10,120
P5	Walnut Bridge replacement	3,341	481	1,884	1,834	305	1,834	1,026	-	-	-	1,026	3,341	(1,530)	1,811
P9c	TCMP Sites U: Bedford Rd Wharf	14,176	-	14,176	14,176	-	-	-	14,176	-	-	14,176	14,176	-	14,176
P9c	TCMP Sites U: Bedford Rd Wharf	3,523	-	3,523	3,523	-	-	-	3,523	-	-	3,523	3,523	-	3,523
PL9	Rebuild Crematorium	10,040	158	3,410	3,792	303	500	9,312	70	-	-	9,382	10,040	-	10,040
PL25	Spectrum Combined Heat and Power (GF contr)	1,110	21	869	848	70	848	-	-	-	-	-	869	-	869
PL29	Woodbridge Rd sportsground	1,900	516	1,150	1,384	1,094	1,384	-	-	-	-	-	1,900	(775)	1,125
	<b>DEVELOPMENT/INCOME GENERATING/COST REDUCTION</b>	<b>70,104</b>	<b>6,434</b>	<b>35,112</b>	<b>39,056</b>	<b>2,568</b>	<b>18,065</b>	<b>27,838</b>	<b>17,769</b>	<b>0</b>	<b>0</b>	<b>45,607</b>	<b>70,106</b>	<b>(2,355)</b>	<b>67,751</b>
	<b>APPROVED SCHEMES TOTAL</b>	<b>93,949</b>	<b>20,477</b>	<b>47,516</b>	<b>54,059</b>	<b>4,737</b>	<b>30,607</b>	<b>35,090</b>	<b>23,129</b>	<b>5,220</b>	<b>5,220</b>	<b>68,659</b>	<b>119,720</b>	<b>(3,134)</b>	<b>116,586</b>

This page is intentionally left blank



GENERAL FUND CAPITAL PROGRAMME - ESTIMATED EXPENDITURE 2017-18 to 2022-23

APPENDIX 5

Ref	Directorate / Service Units Capital Schemes	Gross estimate approved by Executive (a) £000	Cumulative spend at 31-03-17 (b) £000	Estimate approved by Council in February (c) £000	2017-18			2018-19 Est for year (i) £000	2019-20 Est for year (ii) £000	2020-21 Est for year (iii) £000	2021-22 Est for year (iv) £000	Future years estimated expenditure (h) £000	Projected expenditure total (b) to (g)=(i) £000	Grants or Contributions towards cost of scheme (j) £000	Net total cost of scheme to the Council (i) - (j) = (k) £000
					Revised estimate (e) £000	Expenditure at 12.10.17 (f) £000	Projected exp est by project officer (g) £000								
<b>PROVISIONAL SCHEMES (schemes approved in principle; further report to the Executive required)</b>															
<b>COMMUNITY DIRECTORATE</b>															
<b>COMMUNITY DIRECTORATE TOTAL</b>															
<b>CORPORATE DIRECTORATE</b> no projects															
<b>CORPORATE DIRECTORATE TOTAL</b>															
<b>DEVELOPMENT DIRECTORATE</b>															
ED14(P)	Void investment property refurbishment works	300	-	100	100	-	-	200	100	-	-	300	300	-	300
ED18(P)	Guildford Museum	4,750	-	2,000	2,000	-	-	4,750	-	-	-	4,750	4,750	-	4,750
ED21(P)	Methane gas monitoring system	150	-	-	150	-	150	-	-	-	-	150	150	-	150
ED22(P)	Energy efficiency compliance - Council owned properties	1,150	-	920	920	-	-	1,150	-	-	-	1,150	1,150	-	1,150
ED26(P)	Bridges	570	-	570	570	-	100	470	-	-	-	470	570	-	570
ED45(P)	Gunpowder mills - scheduled ancient monument	172	-	-	172	-	-	172	-	-	-	172	172	-	172
P6(P)	Guildford Riverside Route PH 2&3 - NO LONGER RQD	2,400	-	2,400	2,400	-	-	-	-	-	-	-	-	-	-
ED47(p)	Cladding of Ash Vale units	145	-	145	145	-	-	145	-	-	-	145	145	-	145
ED48(p)	Westfield/Moorfield rd resurfacing	3,152	-	3,152	3,152	-	-	3,152	-	-	-	3,152	3,152	-	3,152
ED50(p)	Burpham Court Farm	365	-	365	365	-	-	-	-	-	-	-	-	-	-
ED51(p)	Exhibition lighting at Guildford House	50	-	50	50	-	50	-	-	-	-	50	-	-	50
ED52(p)	Chapel Street (Castle Street/Tungate Public Realm Scheme)	1,165	-	1,165	1,165	0	15	1,150	-	-	-	1,150	1,165	-	1,165
<b>DEVELOPMENT DIRECTORATE TOTAL</b>		<b>14,369</b>	<b>-</b>	<b>10,867</b>	<b>11,189</b>	<b>0</b>	<b>315</b>	<b>11,189</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>11,289</b>	<b>11,604</b>	<b>-</b>	<b>11,604</b>
<b>ENVIRONMENT DIRECTORATE</b>															
OP5(P)	Mill Lane (Pirbright) Flood Protection Scheme	200	-	-	200	-	-	200	-	-	-	200	200	(20)	180
OP6(P)	Vehicles, Plant & Equipment Replacement Programme	5,900	-	-	-	-	-	-	4,000	1,000	-	5,000	5,000	-	5,000
OP17(P)	New vehicle washing system	155	-	155	155	0	-	155	-	-	-	155	155	-	155
OP21(P)	Surface water management plan	200	-	-	200	-	-	200	-	-	-	200	200	-	200
OP22(P)	WRD - cleansing office heating system	11	-	11	11	11	11	-	-	-	-	-	11	-	11
PL12(P)	Spectrum schemes to be agreed with Freedom Leisure	700	-	700	700	-	700	-	-	-	-	-	700	-	700
PL16(P)	New burial grounds - acquisition & development	7,834	26	2,490	2,508	-	-	2,508	5,300	-	-	7,808	7,834	-	7,834
PL18(P)	Refurbishment / rebuild Sutherland Memorial Park Pavilion	150	-	150	150	-	-	150	-	-	-	150	150	-	150
PL20(P)	Council owned playground refurbishment	320	-	-	100	-	-	200	120	-	-	320	320	-	320
PL21(P)	Council tennis courts refurbishment	295	-	215	245	-	50	195	-	-	-	195	245	(10)	235
PL24(P)	Kings college astro turf	120	-	120	120	-	-	120	-	-	-	120	120	-	120
PL39(P)	Aldershot rd allotment expansion & improvement	200	-	-	200	-	-	200	-	-	-	200	200	-	200
PL41(P)	Stoke pk office accomodation & storage buildings	665	-	625	665	-	50	615	-	-	-	615	665	-	665
PL44(p)	Sutherland memorial park all weather courts	25	-	25	25	-	25	-	-	-	-	-	25	-	25
PL45(p)	Stoke Pk gardens water feature refurb	81	-	81	81	-	81	-	-	-	-	-	81	(59)	22
PL47(p)	Wall repairs for parks, cemeteries & recreation facilities	195	0	15	15	4	15	180	-	-	-	180	195	-	195
PL48(p)	Bellfields YCC	60	1	60	59	1	59	-	-	-	-	-	60	-	60
PL49(p)	Resurface Lido Rd CP	100	-	100	100	-	-	100	-	-	-	100	100	-	100
PL52(p)	Sutherland Memorial Park LED lighting	35	-	35	35	-	35	-	-	-	-	-	35	-	35
PL53(p)	Park Barn CC LED lighting upgrade	22	-	22	22	-	22	-	-	-	-	-	22	-	22
<b>ENVIRONMENT DIRECTORATE TOTAL</b>		<b>17,268</b>	<b>27</b>	<b>4,804</b>	<b>5,591</b>	<b>17</b>	<b>1,048</b>	<b>4,823</b>	<b>9,420</b>	<b>1,000</b>	<b>-</b>	<b>15,243</b>	<b>16,318</b>	<b>(89)</b>	<b>16,229</b>
<b>RESOURCES DIRECTORATE</b>															
CD3(P)	Renewables	65	-	-	65	-	65	-	-	-	-	-	65	-	65
<b>RESOURCES DIRECTORATE TOTAL</b>		<b>65</b>	<b>-</b>	<b>-</b>	<b>65</b>	<b>-</b>	<b>65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>65</b>	<b>-</b>	<b>65</b>

Ref	Directorate / Service Units Capital Schemes	Gross estimate approved by Executive (a) £000	Cumulative spend at 31-03-17 (b) £000	2017-18			Projected expenditure by project officer (g) £000	2018-19 Est for year (i) £000	2019-20 Est for year (ii) £000	2020-21 Est for year (iii) £000	2021-22 Est for year (iv) £000	Future years estimated expenditure (h) £000	Projected expenditure total (b) to (g)=(i) £000	Grants or Contributions towards cost of scheme (j) £000	Net total cost of scheme to the Council (i) - (j) = (k) £000
				Estimate approved by Council in February (c) £000	Revised estimate (e) £000	Expenditure at 12.10.17 (f) £000									
<b>DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS</b>															
ED25(P)	Guildford Park new MSCP and infrastructure works	23,125	-	11,645	11,645	-	-	18,625	4,500	-	-	23,125	23,125	-	23,125
ED32(P)	Clay lane link road	10,439	-	100	1,100	-	1,100	4,339	5,000	-	-	9,339	10,439	(1,340)	9,099
ED16(P)	Slyfield Area Regeneration Project (SARP) (GBC share)	130,430	-	15,000	15,058	-	-	30,058	15,000	16,000	15,000	130,430	130,430	-	130,430
ED38(P)	North Street development	29,590	-	1,000	1,000	-	1,000	28,590	-	-	-	28,590	29,590	-	29,590
ED49(p)	Redevelop Mitleton industrial estate	14,907	-	1,837	1,837	-	53	1,784	-	13,070	-	14,854	14,907	-	14,907
HC4(p)	Bright Hill Development	13,500	-	500	500	-	500	1,250	6,250	5,500	-	13,000	13,500	-	13,500
P7(P)	Transport schemes for future Local Growth Fund and other	4,000	-	4,000	4,000	-	-	4,000	-	-	-	4,000	4,000	(3,500)	500
P8(P)	Town centre transport infrastructure package	217	-	217	217	-	-	-	-	-	-	-	217	-	217
P10(p)	Sustainable Movement Corridor	9,895	-	-	-	-	-	850	2,975	2,075	4,000	9,900	9,900	-	9,900
P11(p)	Guildford West (PB) station	5,000	-	500	500	-	-	1,000	1,000	3,000	-	5,000	5,000	(3,750)	1,250
P12(p)	Strategic property acquisitions	34,120	-	-	-	-	-	7,020	13,300	13,800	-	34,120	34,120	-	34,120
P13(p)	Bedford Wharf	23,000	-	-	-	-	-	23,000	-	-	-	23,000	23,000	-	23,000
P13(p)	Guildford Gyrotory & approaches	12,000	-	-	-	-	-	2,000	3,000	3,500	3,500	12,000	12,000	(5,000)	7,000
	Investment in North Downs Housing	31,540	1,440	-	-	-	-	-	6,120	11,940	-	18,060	19,500	-	19,500
	Equity shares in Guildford Holdings Ltd	960	960	-	-	-	-	-	4,080	7,960	-	12,040	13,000	-	13,000
PL51(p)	Stoke Park - Home Farm Redevelopment	4,000	-	-	-	-	-	400	-	3,600	-	4,000	4,000	-	4,000
	Additional Parking Space Mary Rd & Millbrook Car Parks;														
	Option 1: Mary Road decking (Option 3 being the more	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OP13(P)	Option 2: Millbrook decking	1,025	-	-	-	-	-	-	1,025	-	-	1,025	1,025	-	1,025
OP14(P)	Option 3: Mary Road Multi Storey (this more expensive option	5,565	-	-	-	-	-	-	5,565	-	-	5,565	5,565	-	5,565
<b>DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS TOTAL</b>		<b>353,313</b>	<b>2,400</b>	<b>34,799</b>	<b>35,857</b>	<b>-</b>	<b>2,870</b>	<b>122,916</b>	<b>67,815</b>	<b>80,445</b>	<b>22,500</b>	<b>348,048</b>	<b>353,318</b>	<b>(13,590)</b>	<b>339,728</b>
<b>PROVISIONAL SCHEMES - GRAND TOTALS</b>		<b>385,015</b>	<b>2,427</b>	<b>50,470</b>	<b>52,702</b>	<b>17</b>	<b>4,298</b>	<b>138,928</b>	<b>77,335</b>	<b>81,445</b>	<b>22,500</b>	<b>374,580</b>	<b>381,305</b>	<b>(13,679)</b>	<b>367,626</b>

GENERAL FUND CAPITAL PROGRAMME - S106 ESTIMATED EXPENDITURE 2017-18 to 2022-23

APPENDIX 6

Ref	Year approved	Project Officer	Code	Service Units / Capital Schemes	Approved gross estimate	Cumulative spend at 31-03-17	2017-18			2018-19 Est for year	2019-20 Est for year	2020-21 Est for year	2021-22 Est for year	2022-23 Est for year	Future years est exp	Projected expenditure total	Grants / Contributions towards cost of scheme	Net cost of scheme	Total net cost approved by Executive		
							Estimate approved by Council in February	Revised estimate	Expenditure at 12.10.17											Projected exp est by project officer	
					(a) £000	(b) £000	(c) £000	(d)	(e) £000	(f) £000	(i) £000	(ii) £000	(iii) £000	(iv) £000	(v) £000	(g) £000	(b)+(g) = (h) £000	(i) £000	(h)-(i) = (j) £000	(k) £000	
				<b>APPROVED SCHEMES (fully funded from S106 contributions)</b>																	
S-OP3	17-18	BS	P66093	Hayden Place CCTV - P92310	35			35	35								35	(35)			
				<b>OPERATIONAL SERVICES</b>																	
<b>OPERATIONAL SERVICES S106 - Totals</b>					-	-	-	-	-	-	-	-	-	-	-	-	196	(196)	-	-	
				<b>ENVIRONMENT DIRECTORATE</b>																	
S-PL1	08-09	SK	P29014/ P41054	Woodbridge Meadow Artwork	104	103	-	1	(0)	1	-	-	-	-	-	-	104	(104)	-	-	
S-PL2	09-10	SK	P41058	G Live Artwork	34	32	-	2	-	2	-	-	-	-	-	-	34	(34)	-	-	
S-PL3		SK	P29008	Art Print Hse Sq (Sculpture Martyr Rd)	36	25	-	11	-	11	-	-	-	-	-	-	36	(36)	-	-	
S-PL7		JS/SA	P18139	Tilehouse Open Space - Playground Refurbishment & Fitness Equipment	132	102	-	30	-	30	-	-	-	-	-	-	132	(132)	-	-	
S-PL8		JS/SA	P18137	Baird Drive/Briars Playground Refurb	10	-	-	10	-	10	-	-	-	-	-	-	10	(10)	-	-	
S-PL13	12-13	PN/DW	P18143	Stoke Recreation Ground play area	41	37	-	4	-	4	-	-	-	-	-	-	41	(41)	-	-	
S-PL17	13-14	JS/SA	P18156	Bushy Hill Facilities	27	16	-	11	-	11	-	-	-	-	-	-	27	(27)	-	-	
S-PL23	13-14	SK	P29013	75-78 Woodbridge Rd	15	4	-	11	4	11	-	-	-	-	-	-	15	(15)	-	-	
S-PL29	14-15	SA/BW	P18162	Greening the approaches - roundabouts	40	5	-	35	-	35	-	-	-	-	-	-	40	(40)	-	-	
S-PL33	15-16	SA		Installation of trampoline play equipment	11	-	-	11	-	11	-	-	-	-	-	-	11	(11)	-	-	
S-PL36	15-16	HJ	P18177	Gunpowder mills - signage, access and woodland imps	16	11	-	5	-	5	-	-	-	-	-	-	16	(16)	-	-	
S-PL38	15-16	SA	P18181	Goose green play area improvements	21	20	-	-	-	-	-	-	-	-	-	-	20	(20)	-	-	
S-PL40	15-16	SA	P18186	Ripley PC skate ramp	47	22	-	25	-	25	-	-	-	-	-	-	47	(47)	-	-	
S-PL42	15-16	SK	P29016	Sutherland memorial park public art project	23	22	-	1	0	1	-	-	-	-	-	-	23	(23)	-	-	
S-PL46	16-17	SA	P18198	Shalford Park Pavilion Improvements - COMPLETE	23	22	-	1	2	1	-	-	-	-	-	-	23	(23)	-	-	
S-PL47	16-17	SA		Fir Tree Garden	28	-	28	28	-	28	-	-	-	-	-	-	28	(28)	-	-	
<b>ENVIRONMENT DIRECTORATE TOTAL</b>					<b>504</b>	<b>317</b>	<b>28</b>	<b>185</b>	<b>5</b>	<b>185</b>	-	-	-	-	-	-	<b>502</b>	<b>(502)</b>	-	-	
				<b>APPROVED SCHEMES continued (fully funded from S106 contributions)</b>																	
				<b>DEVELOPMENT DIRECTORATE</b>																	
S-P1	06-07	MW	P41045	Haydon Place / Martyr Road	67	64	-	3	12	12	-	-	-	-	-	-	76	(76)	-	-	
S-P3	01-02	MW	P41076	North Street Rejuvenation Project	489	257	232	232	-	-	-	-	-	-	-	-	257	(257)	-	-	
S-P5	12-13	BW		Falcon Rd Guildford	6	-	-	6	-	6	-	-	-	-	-	-	6	(6)	-	-	
S-P7	12-13	BW	P41063	Woodbridge meadows	243	197	-	46	-	46	-	-	-	-	-	-	243	(243)	-	-	
S-P8		BW	P41086	Woodbridge Hill environmental improvements	226	17	180	210	1	210	-	-	-	-	-	-	227	(227)	-	-	
S-P10		MW	P41085	G Live Lighting and Signage York Road	32	23	-	9	-	9	-	-	-	-	-	-	32	(32)	-	-	
S-P11		ST	P31003	G Live Bus stop/drop off point	11	4	-	7	-	7	-	-	-	-	-	-	11	(11)	-	-	
S-P12		MW	P41074	Espom Rd/Boxgrove Road	150	87	-	63	-	63	-	-	-	-	-	-	150	(150)	-	-	
S-P13		MW	P41073	Kingpost Parade car park	20	19	-	2	-	2	-	-	-	-	-	-	21	(21)	-	-	
S-P14		MW	P41084	Bridge Street Waymarking	5	1	-	4	-	4	-	-	-	-	-	-	5	(5)	-	-	
<b>DEVELOPMENT DIRECTORATE TOTOAL</b>					<b>1,249</b>	<b>668</b>	<b>412</b>	<b>582</b>	<b>13</b>	<b>359</b>	-	-	-	-	-	-	<b>1,027</b>	<b>(1,027)</b>	-	-	
<b>APPROVED S106 SCHEMES TOTAL</b>					<b>1,752</b>	<b>985</b>	<b>440</b>	<b>767</b>	<b>18</b>	<b>544</b>	-	-	-	-	-	-	<b>1,725</b>	<b>(1,725)</b>	-	-	

This page is intentionally left blank

Item No.	Project Officer	Useful Life of asset (yrs)	Code	Projects & Sources of Funding	Approved gross estimate	Cumulative spend at 31-03-17	2017-18			2018-19 Est for year	2019-20 Est for year	2020-21 Est for year	2021-22 Est for year	2022-23 Est for year	Future years est exp	Projected expenditure total	
							Estimate approved by Council in February	Revised estimate	Expenditure at 12.10.17								Projected exp est by project officer
					(a)	(b)	(c)	(e)	(f)	(i)	(ii)	(iii)	(iv)	(v)	(g)	(b)+(g) = (h)	
					£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
<b>RESOURCES DIRECTORATE</b>																	
			P59...	ENERGY PROJECTS per SALIX RESERVE:(PR220)													
R-EN10	CR	15	P59034	LED Lighting replacement	80	49	-	31	-	19	-	-	-	-	-	69	
			P59040	Salix lighting Harbour Hotel					2	2						2	
			P59041	Salix lighting Black Horse					10	10						10	
R-EN11	CR			WRD energy reduction	70	-	-	70	-	70	-	-	-	-	-	70	
				ENERGY PROJECTS per GBC INVEST TO SAVE RESERVE: GBC 'Invest to Save' energy projects (to be repaid in line with savings)													
R-EN12	CR		P59102	PV/energy efficiency projects	100	2	-	98	-	98	-	-	-	-	-	100	
<b>ENERGY RESERVES TOTAL</b>					<b>250</b>	<b>51</b>	<b>-</b>	<b>363</b>	<b>12</b>	<b>363</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250</b>	
<b>BUDGET PRESSURES RESERVE</b>																	
R-BP1	CM	REFCUS	P79999	Surreysave Credit Union - purchase of shares	100	50	-	50	-	50	-	-	-	-	-	100	
<b>BUDGET PRESSURES RESERVE TOTAL</b>					<b>100</b>	<b>50</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>	
<b>LABGI RESERVE</b>																	
R-LB1	CM		P79024	Bedford Rd Bus Station	250	59	-	-	123	191	-	-	-	-	-	250	
<b>LABGI RESERVE TOTAL</b>					<b>250</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>123</b>	<b>191</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250</b>	
<b>INFORMATION TECHNOLOGY - IT Renewals Reserve (PR265) : approved annually</b>																	
				Hardware / software budget			350	854	-	500	350	350	350	-	-	1,050	1,550
R-IT1	SW-M	4	P81002	Hardware	annual	annual	-	-	347	347	-	-	-	-	-	347	
R-IT2	SW-M	6	P81002	Software	annual	annual	-	-	-	-	-	-	-	-	-	-	
			P81023	Efin upgrade and eproc implement			12	-	7	7						7	
			P81029	Replace Ocella (Tascomi)			10	-	-	-						-	
<b>IT RENEWALS RESERVE TOTAL</b>					<b>-</b>	<b>22</b>	<b>350</b>	<b>854</b>	<b>354</b>	<b>854</b>	<b>350</b>	<b>350</b>	<b>350</b>	<b>-</b>	<b>-</b>	<b>1,050</b>	<b>1,904</b>
<b>ENVIRONMENT DIRECTORATE</b>																	
<b>SPECTRUM RESERVE</b>																	
R-S10	PN	15	P24028	Chiller Replacement & CHO absorption chiller	245	-	-	243	-	243	-	-	-	-	-	243	
R-S13	PN		P24056	Lift controls - replacement	310	48	-	262	-	262	-	-	-	-	-	310	
<b>SPECTRUM RESERVE TOTAL</b>					<b>555</b>	<b>48</b>	<b>-</b>	<b>505</b>	<b>-</b>	<b>505</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>553</b>	
<b>CAR PARKS RESERVE</b>																	
R-CP1	KMc	10	P37503	Car parks - install/replace pay-on-foot equipment	570	240	334	330	-	330	-	-	-	-	-	570	
R-CP13	KMc/RH		P37515	Car Parks - Lighting & Electrical improvements: - Castle, Farnham & York Rd Lighting	300	-	-	300	-	300	-	-	-	-	-	300	
R-CP8	KMc/KS	12		Car parks - Deck surfacing: - Castle car park (PR000299)	325	-	-	-	-	-	325	-	-	-	325	325	
R-CP10	KMc/KS	12		- Bedford Road (PR000243)	512	-	512	512	-	59	-	-	-	-	-	59	
R-CP12	MvdR/AH		P37511	Replacement of collapsed retaining wall Bright Hill	321	16	-	305	30	30	-	-	-	-	-	46	
R-CP14	KMc/RH		P37514	Lift replacement (PR000293)	841	-	187	280	68	280	187	187	187	-	561	841	
R-CP15	KMc/RH			Morrow P&R CCTV (PR000298)	50	-	-	50	-	50	-	-	-	-	-	50	
R-CP16	KMc/RH		P37518	Bright Hill Barrier essential works (PR000425)	80	1	-	79	50	79	-	-	-	-	-	80	
R-CP17	KMc/RH			Leapale rd MSCP drainage (PR000433)	90	-	90	90	-	-	90	-	-	-	90	90	
<b>CAR PARKS RESERVE TOTAL</b>					<b>3,089</b>	<b>257</b>	<b>1,123</b>	<b>1,946</b>	<b>149</b>	<b>1,128</b>	<b>602</b>	<b>187</b>	<b>187</b>	<b>-</b>	<b>-</b>	<b>976</b>	<b>2,361</b>
<b>SPA RESERVE :</b>																	
R-SPA1			P20...	SPA schemes (various)	100	annual	100	165	-	154	100	-	-	-	100	265	
R-SPA2			P201..	Chantry Woods													
R-SPA3			P202..	Effingham					1	1							
R-SPA4			P203..	Lakeside													
R-SPA5			P204..	Riverside					8	8							
R-SPA7			P205..	Parsonage					3	3							
				Access tracks at Chantry Wood	60	-	-	60	-	60	-	-	-	-	-	60	
<b>SPA RESERVE TOTAL</b>					<b>160</b>	<b>-</b>	<b>100</b>	<b>225</b>	<b>11</b>	<b>225</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>325</b>
<b>GRAND TOTALS</b>					<b>4,404</b>	<b>486</b>	<b>1,573</b>	<b>3,943</b>	<b>649</b>	<b>3,316</b>	<b>1,052</b>	<b>537</b>	<b>537</b>	<b>-</b>	<b>-</b>	<b>2,126</b>	<b>5,743</b>

This page is intentionally left blank

**1.0 AVAILABILITY OF RESOURCES - NOTES :**

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

1.2 The actuals for 2016-17 have not been audited.

**1.3 Funding assumptions:**

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

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

**2.0 Capital receipts - Balances (T01001)**

Page 8  
of 11

**Balance after funding capital expenditure as at 31 March**

	<b>2016-17 Actuals £000</b>	<b>2017-18 Budget £000</b>	<b>2017-18 Est Outturn £000</b>	<b>2018-19 Estimate £000</b>	<b>2019-20 Estimate £000</b>	<b>2020-21 Estimate £000</b>	<b>2021-22 Estimate £000</b>	<b>2022-23 Estimate £000</b>
Balance as at 1 April	0	0	0	0	0	0	0	0
Add estimated usable receipts in year	259	330	324	4,000	9,200	9,075	16,000	0
Less applied re funding of capital schemes	(259)	(330)	(324)	(4,000)	(9,200)	(9,075)	(16,000)	0
<b>Balance after funding capital expenditure as at 31 March</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# GENERAL FUND CAPITAL PROGRAMME : SUMMARY OF RESOURCES AND FINANCIAL IMPLICATIONS

APPENDIX 8

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

## 3.0 Capital expenditure and funding - summary

### Estimated capital expenditure

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

### Total estimated capital expenditure

### To be funded by:

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

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

### Total funding required

	2016-17 Actuals £000	2017-18 Budget £000	2017-18 Est Outturn £000	2018-19 Estimate £000	2019-20 Estimate £000	2020-21 Estimate £000	2021-22 Estimate £000	2022-23 Estimate £000
	33,836	47,516	30,607	35,090	23,129	5,220	5,220	0
	20	50,470	4,298	138,928	77,335	81,445	22,500	15,000
	447	440	544	0	0	0	0	0
	3,199	1,573	3,316	1,052	537	537	0	0
	744	0	0	0	0	0	0	0
<b>Total estimated capital expenditure</b>	<b>38,246</b>	<b>99,999</b>	<b>38,765</b>	<b>175,070</b>	<b>101,001</b>	<b>87,202</b>	<b>27,720</b>	<b>15,000</b>
<b>To be funded by:</b>								
Capital receipts ( <i>per 2.above</i> )	(2,860)	(330)	(324)	(4,000)	(9,200)	(9,075)	(16,000)	0
Contributions	(3,128)	(3,982)	(3,329)	(1,221)	(2,250)	(4,750)	(1,750)	0
<u>R.C.C.O.:</u>								
Other reserves	(1,523)	(7,973)	(8,371)	(12,730)	(757)	(757)	(220)	0
	(7,511)	(12,285)	(12,024)	(17,951)	(12,207)	(14,582)	(17,970)	0
Balance of funding to be met from (i) the Capital Reserve, and (ii) borrowing	(30,735)	(87,714)	(26,741)	(157,119)	(88,794)	(72,620)	(9,750)	(15,000)
<b>Total funding required</b>	<b>(38,246)</b>	<b>(99,999)</b>	<b>(38,765)</b>	<b>(175,070)</b>	<b>(101,001)</b>	<b>(87,202)</b>	<b>(27,720)</b>	<b>(15,000)</b>

Page 84

## 4.0 General Fund Capital Schemes Reserve (U01030)

Balance as at 1 April  
Add: General Fund Revenue Budget variations  
Contribution from revenue

Less: Applied re funding of capital programme

### Balance after funding capital expenditure etc.as at 31 March

	2016-17 Actuals £000	2017-18 Budget £000	2017-18 Est Outturn £000	2018-19 Estimate £000	2019-20 Estimate £000	2020-21 Estimate £000	2021-22 Estimate £000	2022-23 Estimate £000
Balance as at 1 April	639	0	1,000	0	0	0	0	0
Add: General Fund Revenue Budget variations	0	0	0	0	0	0	0	0
Contribution from revenue	1,000	0	0	0	0	0	0	0
	1,639	0	1,000	0	0	0	0	0
Less: Applied re funding of capital programme	(639)	0	(1,000)	0	0	0	0	0
<b>Balance after funding capital expenditure etc.as at 31 March</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Estimated shortfall at year-end to be funded from borrowing

	<b>30,096</b>	<b>87,714</b>	<b>25,741</b>	<b>157,119</b>	<b>88,794</b>	<b>72,620</b>	<b>9,750</b>	<b>15,000</b>
--	---------------	---------------	---------------	----------------	---------------	---------------	--------------	---------------

Agenda item number: 6  
Appendix 8



# GENERAL FUND CAPITAL PROGRAMME : SUMMARY OF RESOURCES AND FINANCIAL IMPLICATIONS

APPENDIX 8

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

Balance as at 1 April (T01008)  
 Add: Estimated receipts in year  
 Less: Applied re Housing (General Fund) capital programme  
 Less: Applied re Housing company  
  
 Less: Applied on regeneration schemes  
**Housing receipts - estimated balance in hand at year end**

2016-17 Actuals £000	2017-18 Budget £000	2017-18 Est Outturn £000	2018-19 Estimate £000	2019-20 Estimate £000	2020-21 Estimate £000	2021-22 Estimate £000	2022-23 Estimate £000
17,276	14,201	14,861	9,361	0	0	0	0
0	0	0	0	0	0	0	0
(2,415)	0	0	0	0	0	0	0
0	(5,500)	(5,500)	(9,361)	0	0	0	0
14,861	8,701	9,361	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>14,861</b>	<b>8,701</b>	<b>9,361</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

Balance as at 1 April (T01012)  
 Add: Estimated receipts in year  
 Less: Applied re Housing (General Fund) capital programme  
 Less: Applied re Housing Improvement programme  
  
 Less: Applied on regeneration schemes  
**Housing receipts - estimated balance in hand**

2016-17 Actuals £000	2017-18 Budget £000	2017-18 Est Outturn £000	2018-19 Estimate £000	2019-20 Estimate £000	2020-21 Estimate £000	2021-22 Estimate £000	2022-23 Estimate £000
3,449	3,151	2,938	2,503	2,008	1,513	1,018	523
1,418	200	200	200	200	200	200	200
(135)	(220)	(160)	(220)	(220)	(220)	(220)	(220)
(1,794)	(475)	(475)	(475)	(475)	(475)	(475)	(475)
2,938	2,656	2,503	2,008	1,513	1,018	523	28
0	0	0	0	0	0	0	0
<b>2,938</b>	<b>2,656</b>	<b>2,503</b>	<b>2,008</b>	<b>1,513</b>	<b>1,018</b>	<b>523</b>	<b>28</b>

## 6.1 Estimated annual borrowing requirement

Bids for funding (net)  
**Total estimated borrowing requirement if all bids on Appendix 1 approved**

	2016-17	2017-18	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Total £'000s
<b>30,096</b>	<b>87,714</b>	<b>25,741</b>	<b>157,119</b>	<b>88,794</b>	<b>72,620</b>	<b>9,750</b>	<b>15,000</b>	<b>369,024</b>	
	0	0	0	0	0	0	0	0	
<b>30,096</b>	<b>87,714</b>	<b>25,741</b>	<b>157,119</b>	<b>88,794</b>	<b>72,620</b>	<b>9,750</b>	<b>15,000</b>	<b>369,024</b>	

Page 85

Appendix 8  
 Agenda item number: 6

This page is intentionally left blank

Agenda item number: 6  
Appendix 9

GUILDFORD B.C. - HOUSING INVESTMENT PROGRAMME 2017-18 to 2021-22: HRA APPROVED PROGRAMME

APPENDIX 9

	Project Budget	2016-17 Actual	Project Spend at 31-03-17	2017-18 Estimate	Carry Forward	Expenditure as at 12/10/2017	2017-18 Projected Outturn	2018-19 Estimate	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	Total Project Exp
	£000	£000	£000	£000		£000	£000	£000	£000	£000	£000	£000	£000
<b>Acquisition of Land &amp; Buildings</b>	3,302	0	0	0	3,302		3,302						3,302
N10014 10 Mount Court						202							
<b>New Build</b>													
N30007 New Road, Gomshall	4,250	56	4,122	0		(0)	0	0	0	0	0	0	4,122
N30008 Lakeside Close, Ash	5,100	336	4,991	0		0	0	0	0	0	0	0	4,991
N30011 Guildford Park	75	25	25	0		348	0	0	0	0	0	0	25
N30013 Slyfield Green (Corporation Club)	2,448	1,853	1,853	350	350	492	700	0	0	0	0	0	2,553
N30014 Willow Way	1,000	0	0	975		187	975	25	0	0	0	0	1,000
Garage sites-	2,500	0	0	2,000	350		2,350	150	0	0	0	0	2,500
N30015 Pond Meadow							170						
N30016 Rowan Close							233						
N30017 Great Goodwin Drive							83						
N30018 The Homstead	500	0	0	500		78	500	0	0	0	0	0	500
M30012 Appletree pub site	3,200	381	424	2,400		20	2,400	700	0	0	0	0	3,524
Fire Station/Ladymead	2,000	0	0	1,200			1,200	800	0	0	0	0	2,400
Bright Hill	500	0	0	500			500	0	0	0	0	0	1,000
Various small sites & feasibility/Site preparation	1,000	0	0	0			0	0	0	0	0	0	0
<b>Schemes to promote Home-Ownership</b>													
Equity Share Re-purchases	annual	0	annual	400			400						annual
<b>Major Repairs &amp; Improvements</b>													
Retentions & minor carry forwards	annual	0	annual	30			30						annual
Kitchens & Bathrooms	annual	793	annual	1,350		4	1,350						annual
Doors and Windows	annual	245	annual	400		101	400						annual
Structural	annual	1,102	annual	850	370	4	1,220						annual
Energy efficiency: Central heating	annual	779	annual	650	199	551	849						annual
General	annual	924	annual	1,220	132	417	1,352						annual
<b>Grants</b>													
Cash Incentive Scheme	annual	0	annual	75			75						annual
<b>TOTAL APPROVED SCHEMES</b>	<b>25,875</b>	<b>6,496</b>	<b>11,416</b>	<b>12,900</b>	<b>4,703</b>	<b>2,889</b>	<b>17,603</b>	<b>1,675</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,918</b>

This page is intentionally left blank

Corporate Governance and Standards Committee Report

Report of Director of Resources

Author: Joyce Hamilton, Principal Corporate Services Solicitor

Tel: 01483 444053

Email: Joyce.Hamilton@guildford.gov.uk

Lead Councillor responsible: Matt Furniss

Tel: 07891 022206

Email: matt.furniss@guildford.gov.uk

Date: 30 November 2017

## General Data Protection Regulation: Update

### Executive Summary

The Data Protection Act 1998 regulates how the Council uses and stores the personal data of its customers and staff. An EU Directive, the General Data Protection Regulation (GDPR) will replace the Data Protection Act. The GDPR sets out how organisations can collect and use personal data. The GDPR comes into force on 25 May 2018. Before then, the UK will pass a new law so that the GDPR applies in the UK. The GDPR applies to organisations that provide goods or services to individuals in the EU. This includes organisations outside the EU that want to provide goods or services within the EU. The GDPR (and the new law) will continue to apply in the UK after the UK leaves the EU.

### Recommendation to Committee

The Committee is asked to note this report.

#### Reason for Recommendation:

To review the Council's progress in complying with the GDPR by 25 May 2018.

### 1. Purpose of Report

- 1.1 This report explains action taken to progress the implementation of the GDPR by 25 May 2018.

### 2. Strategic Framework

- 2.1 Good Corporate Governance ensures the Council maintains high standards to protect the personal data of staff and residents, underpinning the values and mission of the Council.

### **3. Background**

- 3.1 The Project Board met on 18 October 2017 to develop a training and awareness programme for staff and councillors.
- 3.2 The Board discussed the requirement to review the data held by all services and to conduct a review of the Council's systems and processes regarding the handling of personal data. The Board is reviewing the Information Asset Registers for all services.
- 3.3 The Board discussed what the Council is going to do, the Council's priorities and how the Council currently collects and processes personal data. The Board examined the implications of GDPR on personal rights and identified a requirement to review contractual arrangements with suppliers.
- 3.4 In line with the GDPR Governance structure adopted by this Committee on 21 September (see background paper), the Council's Data Protection Officer (DPO) has provided verbal updates to the Director of Resources, Corporate Governance Group and also the Executive/Management Team Liaison Group. The DPO will be updating CMT on 5 December.
- 3.5 As part of the training and awareness programme, members of the Board will deliver a presentation to the Senior Leaders group on 30 November.

### **4. Financial Implications**

- 4.1 If the Council fails to comply with the new regulations, there is a risk the Council could be fined up to 4% of turnover. The Council's gross income (less internal recharges) recorded in the 2016-17 statement of accounts was £69 million, so a fine of 4% could be up to £2.76 million.
- 4.2 There are no other financial implications arising from this report.

### **5. Legal Implications**

- 5.1 There are no legal implications arising from this report.

### **6. Human Resource Implications**

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

### **7. Conclusion**

- 7.1 The GDPR marks a major change in the way the Council must use and store personal data from 25 May 2018. The Council has begun work to raise awareness of the GDPR and its impact, to audit the information the Council holds, to review the Council's privacy notices and to review Council procedures. This will ensure the Council is compliant with the GDPR in how it processes the personal data of individuals.

**8. Background Papers**

[Corporate Governance Standards Committee Item 7 - 21 September 2017](#)

**9. Appendices**

None

This page is intentionally left blank



Corporate Governance and Standards Committee Report

Ward(s) affected: n/a

Report of Director of Resources

Author: John Armstrong

Tel: 01483 444102

Email: john.armstrong@guildford.gov.uk

Date: 30 November 2017

## Corporate Governance and Standards Committee Work Programme

### Recommendation

That the Committee considers and approves its updated work programme for the remainder of the 2017-18 municipal year, as detailed in Appendix 1 to this report.

#### Reason for recommendations:

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

### 1. Purpose of report

1.1 To enable the Committee to keep its work programme updated.

### 2. Updated work programme

2.1 The Committee's updated work programme for the remainder of the 2017-18 municipal year 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.

### 3. Financial Implications

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

### 4. Legal Implications

4.1 There are no legal implications arising directly from this report.

### 5. Human Resource Implications

5.1 There are no human resources implications arising directly from this report.

**6. Background Papers**

- Guildford Borough Council Forward Plan
- Corporate Management Team Forward Plan

**7. Appendices**

Appendix 1: Corporate Governance and Standards Committee updated work programme for the remainder of the 2017-18 municipal year

**Corporate Governance and Standards Committee**  
**Draft Work Programme for the remainder of the 2017-18 municipal year**

18 January 2018

<b>Subject</b>	<b>Details of decision to be taken</b>	<b>Decision to be taken by</b>	<b>Contact Officer</b>
Treasury Management Strategy Annual Strategy Report 2018-2019 and treasury prudential indicators 2018-19 to 2022-23	To recommend to Council the adoption of the revised Treasury Management Annual Strategy and prudential indicators	Executive Council	Victoria Worsfold 01483 444834
Financial Monitoring 2017-18 Period 8 (April to November 2017)	To note the results of the Council's financial monitoring for the period April to November 2017	Corporate Governance and Standards Committee	Claire Morris 01483 444827
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	Sarah White 01483 444069
Freedom of Information Compliance - Annual Report 2017	To consider the annual report on the Council's performance in dealing with Freedom of Information requests in 2017.	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
General Data Protection Regulation (GDPR)	To consider a report on progress with compliance with the GDPR	Corporate Governance and Standards Committee	Joyce Hamilton 01483 444053
Single Equality Scheme and Action Plan	To review the Single Equality Scheme and Action Plan for 2012-15	Corporate Governance and Standards Committee	Lucy Richards 01483 444013

**29 March 2018**

<b>Subject</b>	<b>Details of decision to be taken</b>	<b>Decision to be taken by</b>	<b>Contact Officer</b>
Discussions with those charged with governance	To agree the Committee's response to the external auditor's audit plan for 2017-18	Corporate Governance and Standards Committee	Claire Morris 01483 444827
General Data Protection Regulation (GDPR)	To consider a report on progress with compliance with the GDPR	Corporate Governance and Standards Committee	Joyce Hamilton 01483 444053
External Audit Plan and Audit Update 2017-18	To approve the external audit plan for 2017-18, and to note the content of the External Auditor's update report and make any appropriate comments.	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Financial Monitoring 2017-18 Period 10 (April 2017 to January 2018)	To note the results of the Council's financial monitoring for the period April 2017 to January 2018	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Review of Arrangements for dealing with allegations of misconduct by councillors	To consider the outcome of the review of the Arrangements in the light of the first full hearing in September 2017	Corporate Governance and Standards Committee	Monitoring Officer