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Contact Officer:

John Armstrong, Democratic Services Manager  
Tel: 01483 444102

11 September 2019

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, 19 SEPTEMBER 2019 at 7.00 pm.**

Yours faithfully

James Whiteman  
Managing Director

**MEMBERS OF THE COMMITTEE**

Chairman: Councillor Tim Anderson  
Vice-Chairman: Councillor Nigel Manning

Councillor Jan Harwood	+Mrs Maria Angel MBE
Councillor Liz Hogger	+Murray Litvak
Councillor Ramsey Nagaty	^Julia Osborn
Councillor John Redpath	^Ian Symes
Councillor James Walsh	^Tim Wolfenden

\*Independent member

^ Parish member

**Authorised Substitute Members:**

Councillor Jon Askew	Councillor Masuk Miah
Councillor Richard Billington	Councillor Susan Parker
Councillor Ruth Brothwell	Councillor Jo Randall
Councillor Colin Cross	Councillor Deborah Seabrook
Councillor Angela Gunning	Councillor Patrick Sheard
Councillor Tom Hunt	Councillor Catherine Young
Councillor Gordon Jackson	

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**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.

### Three fundamental themes and nine strategic priorities that support our vision:

- |                     |  |
|---------------------|--|
| <b>Place-making</b> | Delivering the Guildford Borough Local Plan and providing the range of housing that people need, particularly affordable homes |
|                     | Making travel in Guildford and across the borough easier   |
|                     | Regenerating and improving Guildford town centre and other urban areas   |
| <b>Community</b>    | Supporting older, more vulnerable and less advantaged people in our community  |
|                     | Protecting our environment   |
|                     | Enhancing sporting, cultural, community, and recreational facilities   |
| <b>Innovation</b>   | Encouraging sustainable and proportionate economic growth to help provide the prosperity and employment that people need       |
|                     | Creating smart places infrastructure across Guildford  |
|                     | Using innovation, technology and new ways of working to improve value for money and efficiency in Council 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.

## AGENDA

### ITEM

**1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

**2 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS**

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

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

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

**3 MINUTES (Pages 1 - 6)**

To confirm the minutes of the meeting of the Corporate Governance and Standards Committee held on 30 July 2019.

**4 ANNUAL AUDIT LETTER 2018-19 (Pages 7 - 22)**

**5 POTENTIAL IMPACT OF EU EXIT ON THE COUNCIL (Pages 23 - 30)**

**6 FINANCIAL MONITORING 2019-20 PERIOD 4 (APRIL TO JULY 2019) (Pages 31 - 90)**

**7 FREEDOM OF INFORMATION COMPLIANCE UPDATE (Pages 91 - 96)**

**8 GENERAL DATA PROTECTION REGULATION (GDPR) UPDATE (Pages 97 - 98)**

**9 COUNCILLOR TRAINING AND DEVELOPMENT UPDATE (Pages 99 - 110)**

**10 WORK PROGRAMME (Pages 111 - 118)**

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# CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

30 July 2019

- \* Councillor Tim Anderson (Chairman)
- \* Councillor Nigel Manning (Vice-Chairman)

- Councillor Jan Harwood
- Councillor Liz Hogger
- \* Councillor Ramsey Nagaty
- \* Councillor John Redpath
- \* Councillor James Walsh

Independent Members:

- \* Mrs Maria Angel MBE
- \* Mr Murray Litvak

Parish Members:

- \* Ms Julia Osborn
- Mr Ian Symes
- \* Mr Tim Wolfenden

\*Present

The Lead Councillor for Finance and Asset Management, Councillor Joss Bigmore was also in attendance.

## **CGS12 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

Apologies for absence were submitted on behalf of Councillor Jan Harwood, Councillor Liz Hogger, and Ian Symes.

## **CGS13 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS**

There were no disclosures of interest.

## **CGS14 MINUTES**

The Committee confirmed as a correct record the minutes of the meeting held on 13 June 2019. The Chairman signed the minutes.

## **CGS15 AUDIT FINDINGS REPORT FOR 2018-19**

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 2018-19 and gave a conclusion on the Council's arrangements for ensuring value for money in the use of resources.

The audit of the 2018-19 accounts was now complete and the independent auditor had indicated that they intended to issue an unqualified opinion on the financial statements, which the Chief Finance Officer would re-certify in accordance with the Accounts and Audit Regulations 2015 immediately after the Committee meeting. The auditors had issued an Audit Findings report, which was included as Appendix 1 to the Committee Report, together with a management action plan (Appendix A to the Audit Findings Report).

The auditors had not found any misstatements which affected the primary financial statements or financial position of the Council. The auditors had found some areas that required adjustments, which had been highlighted in the audit findings report. There were also some minor changes that were not individually significant enough to warrant separate disclosure in the findings report.

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The auditors had proposed to give an unqualified Value for Money conclusion. Their recommendations relating to value for money had been included in the action plan. The key points related to the medium-term financial plan and the general fund capital programme.

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 as Appendix 2 to the Committee Report.

During the debate, the Committee made the following comments:

- Concern over capacity issues for staff involved both in work associated with the Future Guildford project and preparation of the statement of accounts.
- Clarification was sought in respect of accounting for profit or loss on HRA assets as to whether allowance should be made for monies spent on, for example, a replacement roof. In response, the external auditors explained that componentisation was used to value assets and that the cost of a replacement roof would be addressed through changes in the revaluation reserve.
- The introduction of Better Business Case training was welcomed.

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:

To allow the external auditor to issue his opinion on the 2018-19 accounts.

### **CGS16 AUDITED STATEMENT OF ACCOUNTS 2018-19**

The Committee considered the Audited Statement of Accounts for 2018-19. The Audit Findings report had covered the changes made to the accounts between the draft accounts, issued on 31 May 2019 and the audited accounts. The audited accounts, a copy of which was circulated to the Committee before the meeting, included the changes.

The Committee noted that the external auditors (Grant Thornton) intended to issue an unqualified opinion on the financial statements.

In order to comply with the Accounts and Audit Regulations 2015 the statutory Statement of Accounts required approval by 31 July.

Comments from the Committee raised the following points:

- Clarification that the trade receivables for goods and services provided related to 2018-19 (page 77 of the Statement of Accounts).
- Reference was made to a rent review due on 1 April 2017 in respect of Bellfields Service Station (page 51 of the Statement of Accounts) the outcome of which would remove the uncertainty in the levels of unobservable inputs. Clarification was sought about the status of the rent review. The Director of Finance indicated that a written response on this would be circulated to the Committee.
- The Council's performance against the 17 key performance indicators should include targets in future (page 15 of the Statement of Accounts).

Having considered the Statement of Accounts for 2018-19, the Committee

RESOLVED:

- (1) That the audited Statement of Accounts for 2018-19, as set out in Appendix 1 to the report submitted to the Committee circulated at the meeting, 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.

Reasons:

- To approve the Statement of Accounts for 2018-19.
- To comply with the Accounts and Audit Regulations 2015 the statutory Statement of Accounts requires approval by 31 July.

### **CGS17 FINANCIAL MONITORING 2019-20 PERIOD 2 (APRIL/MAY 2019)**

The Committee considered a report that set out the financial monitoring position for period April to May 2019.

The report summarised the projected outturn position for the Council's general fund revenue account, based on actual and accrued data for this period. Officers were projecting an increase in net expenditure on the general fund revenue account of £66,594, which included a £171,280 reduction in the statutory Minimum Revenue Provision (MRP) charge to the General Fund to make provision for the repayment of past capital debt reflecting a re-profiling of capital schemes. At service level, the projected outturn was £237,874 higher than the latest estimate once adjusted for items either funded from reserve or transferred to reserve.

A surplus on the Housing Revenue Account would enable a projected transfer of £8.53 million to the new build reserve and £2.5 million to the reserve for future capital at year-end. This had been £97,384 higher than budgeted and reflected modest variations in repair and maintenance expenditure and staffing costs.

Officers were making progress against a number of major capital projects on the approved programme as outlined in section 7 of the report. The Council was expected to spend £82.5 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 £46.42 million by 31 March 2020, against an estimated position of £53.35 million, which was due to slippage on both the approved and provisional capital programme, as detailed in the report.

The Council held £106.5 million of investments and £205.9 million of external borrowing as at 31 May 2019, which included £192.9 million of HRA loans. Officers confirmed that the Council had complied with its Prudential indicators in the period, which had been set in February 2019 as part of the Council's Capital Strategy.

Comments from the Committee raised the following points:

- Where there is slippage in the capital programme, investment interest income rises
- The Invest to Save variance of £323,000 in the table highlighting major movement in use of earmarked reserves related to slippage in the ICT transformation programme and was therefore an increase in use of reserves.
- It was acknowledged that further work was necessary to improve project management and governance around projects, as reported in the Council's Annual Governance Statement. As part of the Future Guildford transformation programme, the management

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team would be establishing a project management office, which would set the governance arrangements for major projects

- Slippage in capital projects was occasionally due to circumstances beyond the Council's control

Having considered the report, the Committee

RESOLVED: That the results of the Council's financial monitoring for the period April to May 2019 be noted.

Reason:

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

**CGS18 SUMMARY OF INTERNAL AUDIT REPORTS (OCTOBER 2018 TO MARCH 2019)**

The Committee considered a report setting out a summary of Internal Audit Reports for the period October 2018 to March 2019.

The Committee's attention was drawn to the reports classified as 'Partial Assurance', which related mainly to health and safety issues around fire risk assessments, asbestos, and legionella. A great deal of work had been carried out to address these issues by evaluating risk and putting in place measures to mitigate risk, recognising that failure to comply with relevant legislation carried significant risks, including possible corporate manslaughter charges, unlimited fines, and reputational damage to the Council.

It was suggested that a report on the Council's readiness for the impact of Brexit should be submitted to the next meeting of the Committee.

Comments from the Committee raised the following points:

- In relation to the report on monitoring of S.106 contributions, it was suggested that consideration be given to providing assistance to the S106 Officer to deal with the many planning applications being lodged since the adoption of the Local Plan which involve S.106 contributions. It was also suggested that a report could be submitted to this Committee setting out the trajectory of anticipated S.106 projects for the coming year, which could also be shared with parish councils.
- It was noted that the Council engaged external consultants to undertake fire risk assessments, and all staff undertook fire risk workplace assessment tests as part of the induction process.

Having considered the various reports, the Committee,

RESOLVED: That the contents of the summary of audit reports and other associated work for the period 1 October 2018 to 31 March 2019 be noted.

Reason:

To ensure an adequate level of audit coverage.

**CGS19 WORK PROGRAMME**

The Committee considered its updated 12 month rolling work programme and noted that the report scheduled for the next meeting on 19 September 2019 on the Review of Procurement Procedure Rules had been deferred. Taking into account the suggestion made earlier in the meeting for a report to the next meeting on Brexit, the Committee



RESOLVED: That the updated 12 month rolling work programme, as set out in Appendix 1 to the report submitted to the Committee, be approved, subject to the following amendments to the list of items scheduled for the 19 September 2019 meeting:

- the deferral of the report on the Review of Procurement Procedure Rules; and
- the inclusion of a report setting out the potential impact of Brexit on the Council

Reason:

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

The meeting finished at 8.10 pm

Signed .....

Chairman

Date .....

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Corporate Governance and Standards Committee Report

Ward(s) affected: All

Report of the Chief Finance Officer

Author: Claire Morris, Director of Finance

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Lead Councillor responsible: Joss Bigmore

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Date: 20 September 2019

## Annual Audit Letter 2018-19

### Executive Summary

The external audit for 2018-19 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 30 July 2019.

The Council's annual external audit is carried out by Grant Thornton and their annual audit letter summarises the key findings from their work on the Council's financial statements and on its arrangements for value for money. Grant Thornton gave an unqualified opinion on the Council's financial statements on 31 July 2019. The auditors were satisfied that the Council has put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources.

### Recommendation to Corporate Governance and Standards Committee

The Committee is asked to review the letter and make any comments to the Executive as it considers appropriate.

#### Reason for Recommendation:

To approve the Annual Audit Report

### 1. Purpose of Report

1.1 The report sets out 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 The Annual Audit Letter from Grant Thornton is attached as **Appendix 1**. Within the letter, they refer to the Audit Findings Report that this Committee considered at its last meeting on 30 July 2019.
- 3.2 The Annual Audit Letter summarises the key findings arising from:
- (a) auditing the 2018-19 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 early next year.
- 3.5 To assess the Council's value for money, Grant Thornton reviewed the Council's medium term financial plan and general fund capital programme. Their findings and recommendations were reported as part of the audit findings report to the Committee on 30 July 2019.

### **4 Consultations**

- 4.1 No consultations are required for this report.

### **5 Equality and Diversity Implications**

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

### **6. Financial Implications**

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

### **7. Legal Implications**

- 7.1 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.

### **8. Human Resource Implications**

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

**9. Summary of Options**

9.1 Consideration of alternative options is not applicable to this report.

**10. Conclusion**

10.1 The Council received an unqualified opinion on its accounts for 2018-19 and its arrangements for securing economy, efficiency and effectiveness. We also received an assurance statement on our Whole of Government Accounts submission.

**11. Background Papers**

None

**12. Appendices**

Appendix 1: Grant Thornton: Annual Audit Letter Year ended 31 March 2019

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# The Annual Audit Letter for Guildford Borough Council

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August 2019



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Your key Grant Thornton  
team members are:

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Engagement Lead  
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# Executive Summary

## Purpose

Our Annual Audit Letter (Letter) summarises the key findings arising from the work that we have carried out at Guildford Borough Council (you / your / the Council) for the year ended 31 March 2019.

This Letter is intended to provide a commentary on the results of our work to the Council and external stakeholders, and to highlight issues that 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 and Auditor Guidance Note (AGN) 07 – 'Auditor Reporting'. We reported the detailed findings from our audit work to the Council's Corporate Governance & Standards Committee as those charged with governance in our Audit Findings Report on 30 July 2019.

## Our work

<b>Materiality</b>	We determined materiality for the audit of your financial statements to be £2,130,000, which is approximately 2% of your gross revenue expenditure.
<b>Financial Statements opinion</b>	We gave an unqualified opinion on your financial statements on 31 July 2019.
<b>Whole of Government Accounts</b>	We completed work on your consolidation return following guidance issued by the NAO.
<b>Use of statutory powers</b>	We did not identify any matters which required us to exercise our additional statutory powers.
<b>Value for Money arrangements</b>	We were satisfied that the Council put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources. We reflected this in our audit report to the Council on 30 July 2019.
<b>Certification of Grants</b>	We carry out work to certify your Housing Benefit subsidy claim on behalf of the Department for Work and Pensions. Our work on this claim is in progress and will be finalised by the 30 November 2019 deadline. We carry out work to certify your Housing Capital Receipts grant on behalf of the Ministry of Housing, Communities and Local Government. Our work on this claim will be carried out before the 31 January 2020 deadline. We will report the results of this certification work to the Corporate Governance & Standards Committee.
<b>Certificate</b>	We certified that we have completed the audit of the financial statements of Guildford Borough Council in accordance with the requirements of the Code of Audit Practice on 31 July 2019.

## Respective 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 your financial statements (section two)
- assess your arrangements for securing economy, efficiency and effectiveness in your use of resources (the value for money conclusion) (section three).

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

# Audit of the Financial Statements

## Our audit approach

### Materiality

In our audit of your financial statements, we use the concept of materiality to determine the nature, timing and extent of our work, and in evaluating 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 the audit of your financial statements to be £2,130,000, which is approximately 2% of your gross revenue expenditure. We used this benchmark as, in our view, users of your financial statements are most interested in where you have spent your resources in the year.

We set a lower threshold of £107,000, above which we reported errors to the Corporate Governance & Standards Committee in our Audit Findings Report.

### The scope of our audit

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

- the accounting policies are appropriate, have been consistently applied and adequately disclosed;
- the 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 remainder of the financial statements including the narrative report and annual governance statement to check it is consistent with our understanding of the Council.

We carry out our audit in accordance with ISAs (UK) and the NAO Code of Audit Practice. We believe that 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 your 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 Financial Statements

### Significant Audit Risks

These are the significant 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>Management override of internal controls</b></p> <p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities. You face external scrutiny of your spending and this could potentially place management under undue pressure in terms of how they report performance.</p> <p>We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p>As part of our audit work we</p> <ul style="list-style-type: none"> <li>evaluated the design effectiveness of management controls over journals</li> <li>analysed the journals listing and determined the criteria for selecting high risk unusual journals</li> <li>tested unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration</li> <li>gained an understanding of the accounting estimates and critical judgements made by management and considered their reasonableness with regard to corroborative evidence</li> <li>evaluated the rationale for any changes in accounting policies, estimates or significant unusual transactions.</li> </ul>	<p>There were no issues to report</p>
<p><b>Valuation of land and buildings</b></p> <p>You revalue your land and buildings on a five-yearly basis. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved (£739 million of property, plant and equipment in 2017/18) and the sensitivity of this estimate to changes in key assumptions. Additionally, management will need to ensure the carrying value in the financial statements is not materially different from the current value at the financial statements date, where a rolling programme is used.</p> <p>We therefore identified valuation of land and buildings as a significant risk, which was one of the most significant assessed risks of material misstatement, and a key audit matter.</p>	<p>As part of our audit work we</p> <ul style="list-style-type: none"> <li>evaluated management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work</li> <li>evaluated the competence, capabilities and objectivity of the valuation expert</li> <li>wrote to the valuer to confirm the basis on which the valuation was carried out to ensure that the requirements of the Code are met</li> <li>challenged the information and assumptions used by the valuer to assess completeness and consistency with our understanding</li> <li>tested revaluations made during the year to see if they had been input correctly into your asset register</li> <li>challenged management's judgement that assets not revalued at 31 March 2019 were fairly stated</li> </ul>	<p>There were four control points raised in regards to valuation and one agreed adjustment to the valuation figure included in the financial statements. Apart from these matters there were no other issues in respect of the valuation of your land and buildings.</p>

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# Audit of the Financial Statements

## Significant Audit Risks

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

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Appendix 1

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>Your pension fund net liability, as reflected in its balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements.</p> <p>The pension fund net liability is considered a significant estimate due to the size of the numbers involved (£90 million in your balance sheet in 2017/18) and the sensitivity of the estimate to changes in key assumptions.</p> <p>We therefore identified valuation of your pension fund net liability as a significant risk, which was one of the most significant assessed risks of material misstatement, and a key audit matter.</p>	<p>As part of our audit work we</p> <ul style="list-style-type: none"> <li>updated our understanding of the processes and controls put in place by management to ensure that your pension fund net liability is not materially misstated and evaluated the design of the associated controls;</li> <li>evaluated the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work;</li> <li>assessed the competence, capabilities and objectivity of the actuary who carried out your pension fund valuation;</li> <li>assessed the accuracy and completeness of the information provided by you to the actuary to estimate the liability;</li> <li>tested the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary;</li> <li>undertook procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within the report.</li> </ul>	<p>There were two adjustments agreed with management which increased the overall pension liability. Other than these, our audit work has not identified any issues in respect of the valuation of your pension fund net liability.</p>
<p><b>Group accounts</b></p> <p>In 2016, you set up North Downs Housing Limited, a subsidiary to enable you to provide homes across a range of tenures other than social rent.</p> <p>As at 31 March 2018, you held a 100% share ownership in the company and an intercompany balances (in the form of loans and equity) of £4.4m. Aside from capital acquisitions, the trading activities of North Downs Housing have been limited to date.</p> <p>However, as North Downs Housing continues to expand, the preparation of group accounts will need to be considered going forward. At present, management is not proposing to adopt Group Accounts on the basis that the rental income at North Downs Housing is not yet deemed to be financially significant. The Code of Practice requires Authorities with subsidiaries to publish group accounts unless their interest is considered not material and so there is an element of judgement in determining whether the presence of a subsidiary 'triggers' the need for Group Accounts.</p>	<p>As part of our audit work we</p> <ul style="list-style-type: none"> <li>updated our understanding of the capital and operational activity taking place within North Downs Housing;</li> <li>evaluated management's determination and disclosures over whether group accounts are required.</li> </ul>	<p>We are satisfied that management's judgement not to consolidate North Downs Housing Limited into a group set of financial statements on the basis of materiality is appropriate in 2018/19.</p>

# Audit of the Financial Statements

## Audit opinion

We gave an unqualified opinion on your financial statements on 31 July 2019.

## Preparation of the financial statements

The capacity of your finance and payroll teams was impacted by the Future Guildford and ERP projects. This resulted in delays to provision of supporting working papers for audit and response to queries. Your draft financial statements fell below your own high standards that you have set in previous years. In the context of the reduced hours available to work on the financial statements the finance team should be commended on being able to provide a set of financial statements for audit by the statutory deadline.

As specified above, the demands on the finance and payroll teams from council-wide projects impacted the time available for audit queries, resulting in delays to the audit process. This was escalated to your finance director who took decisive action to free up people to provide the backlog of information on 12 July 2019. By working closely with your finance team we were able to complete the audit and provide the audit opinion on 31 July 2019.

## Issues arising from the audit of the financial statements

We reported the key issues from our audit to the Corporate Governance & Standards Committee on 30 July 2019.

## Annual Governance Statement and Narrative Report

We are required to review the Council's Annual Governance Statement and Narrative Report. You published them on your website in the Statement of Accounts in line with the national deadlines.

Both documents were prepared in line with the CIPFA Code and relevant supporting guidance. We confirmed that both documents were consistent with the financial statements prepared by management and with our knowledge of the Council.

## Whole of Government Accounts (WGA)

We carried out work on the Council's Data Collection Tool in line with instructions provided by the NAO. We issued an assurance statement which confirmed the Council was below the audit threshold.

## Certificate of closure of the audit

We certified that we have completed the audit of your financial statements in accordance with the requirements of the Code of Audit Practice on 31 July 2019.

# Value for Money conclusion

## Background

We carried out our review in accordance with the NAO Code of Audit Practice, following the guidance issued by the NAO in November 2017 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 risks where we concentrated our work.

The risks we identified and the work we performed are set out overleaf.

As part of our Audit Findings report agreed with you in July 2019, we agreed recommendations to address our findings.

## Overall Value for Money conclusion

We are satisfied that in all significant respects you put in place proper arrangements to secure economy, efficiency and effectiveness in your use of resources for the year ending 31 March 2019.

# Value for Money conclusion

## Value for Money Risks

Risks identified in our audit plan	Findings and conclusions
<p><b>Medium Term Financial Planning</b></p> <p>You have identified a cumulative gap of £10.4 million between projected resources and budgeted expenditure over the four years to 2022/23. In part, this relies on continuing to deliver the budgeted level of savings from existing projects. You have identified a need for longer term transformation of service delivery to be able to deliver sustainable services in the period covered by the medium term financial strategy. You have engaged an external consultant (Ignite Consulting) who in November 2018 presented a report entitled “Guildford Borough Council Future Operating Model Blueprint”. It set out to provide the ‘blueprint’ for the delivery of an ambitious transformation programme for you including a refined business case, an organisational design and a costed implementation approach and plan. We will review your project management and risk assurance frameworks to establish how you are identifying, managing and monitoring these risks.</p>	<p>The findings from our work were reported in detail in our Audit Findings report in July 2019. We concluded that you have put in place proper arrangements to secure economy, efficiency and effectiveness in your use of resources for the year ending 31 March 2019.</p>
<p><b>General Fund Capital Programme</b></p> <p>You approved a General Fund Capital Programme for five years to 2022/23. This is an area of considerable spend, with a net cost of £96 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>The findings from our work were reported in detail in our Audit Findings report in July 2019. We concluded that you have put in place proper arrangements to secure economy, efficiency and effectiveness in your use of resources for the year ending 31 March 2019.</p>

Agenda item number: 4  
Appendix 1

## A. Reports issued and fees

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

### Reports issued

Report	Date issued
Audit Plan	March 2019
Audit Findings Report	July 2019
Annual Audit Letter	August 2019

Page 20

	Planned £	Actual fees £
Statutory audit	51,300	TBC
Housing Benefit Grant Certification	20,000	TBC
Housing Capital Receipts Grant Certification	1,500	TBC
<b>Total fees</b>	<b>72,800</b>	<b>TBC</b>

Area	Reason	Fee proposed
<b>Assessing the impact of the McCloud ruling</b>	The Government's transitional arrangements for pensions were ruled discriminatory by the Court of Appeal last December. The Supreme Court refused the Government's application for permission to appeal this ruling. As part of our audit we have reviewed the revised actuarial assessment of the impact on the financial statements along with any audit reporting requirements.	1,600
<b>Pensions – IAS 19</b>	The Financial Reporting Council has highlighted that the quality of work by audit firms in respect of IAS 19 needs to improve across local government audits. Accordingly, we have increased the level of scope and coverage in respect of IAS 19 this year to reflect this.	1,200
<b>PPE Valuation – work of experts</b>	As above, the Financial Reporting Council has highlighted that auditors need to improve the quality of work on PPE valuations across the sector. In addition, the use of a second management expert led to further work being required. We have increased the volume and scope of our audit work to reflect this.	2,400
<b>Total</b>		<b>5,200</b>

Agenda item number: 4  
Appendix 1



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### Fees

Page No	Planned £	Actual fees £
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Housing Benefit Grant Certification	20,000	TBC
Housing Capital Receipts Grant Certification	1,500	TBC
<b>Total fees</b>	<b>72,800</b>	<b>TBC</b>

### Fees for non-audit services

Service	Fees £
<b>Non-Audit related services</b>	14,500
- Place Analytics and CFO Insights Licence	

### Non- audit services

- We have considered whether non-audit 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.

The above non-audit services are consistent with the Council's policy on the allotment of non-audit work to your auditor

### Audit fee variation

As outlined in our audit plan, the 2018-19 scale fee published by PSAA of £44,300 assumes that the scope of the audit does not significantly change.

There are a number of areas where the scope of the audit has changed, which has led to additional work. These are set out in the following table.

Area	Reason	Fee proposed
<b>Assessing the impact of the McCloud ruling</b>	The Government's transitional arrangements for pensions were ruled discriminatory by the Court of Appeal last December. The Supreme Court refused the Government's application for permission to appeal this ruling. As part of our audit we have reviewed the revised actuarial assessment of the impact on the financial statements along with any audit reporting requirements.	1,600
<b>Pensions – IAS 19</b>	The Financial Reporting Council has highlighted that the quality of work by audit firms in respect of IAS 19 needs to improve across local government audits. Accordingly, we have increased the level of scope and coverage in respect of IAS 19 this year to reflect this.	1,200
<b>PPE Valuation – work of experts</b>	As above, the Financial Reporting Council has highlighted that auditors need to improve the quality of work on PPE valuations across the sector. We have increased the volume and scope of our audit work to reflect this.	1,200
<b>Audit overruns</b>	As identified in our Audit Findings Report, we experienced a number of delays to our audit work and therefore had to apply additional resources to deliver the audit.	4,500
<b>Value for money conclusion</b>	Additional work to review the medium term financial strategy assumptions	7,000
<b>Total</b>		15,500

Appendix 1  
Agenda item number: 4



Corporate Governance and Standards Committee Report

Report of Audit and Business Improvement Manager

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Date: 19 September 2019

## Potential Impact of EU Exit

### Officer Recommendation

The Committee is invited to comment on the potential risks set out in this report and the arrangements for monitoring and managing the potential impact on the Council of the UK leaving the EU on 31 October 2019, or some other date with or without a withdrawal agreement.

#### Reason for Recommendation:

To enable the Committee to consider the potential risks arising from leaving the EU and the scope of the project plan to mitigate or address the risks

### 1. Background.

- 1.1 Following the EU referendum in 2016, the UK was due to leave the EU on 29 March 2019 but, after protracted negotiations, the date was revised to 31 October 2019 to allow more time for negotiations between the EU member states and the UK government. Parliament has recently passed legislation compelling the Prime Minister to try to avoid the UK leaving the EU without a withdrawal agreement by requesting a further extension to the leave date in order to allow more time to seek a satisfactory withdrawal agreement. However, it is still possible for the UK to leave the EU on 31 October with or without a withdrawal agreement.
- 1.2 Leaving the EU will affect our current trading arrangements and treaties, covering everything from tariffs on supplies and services, to the movement of people, foodstuffs, other goods and data. If there is no overall withdrawal agreement, each element will need to be agreed separately and the UK will trade with the EU on the default terms of the World Trade Organisation (WTO), which will introduce tariffs on a number of goods.
- 1.3 To a great extent it has been and still is hard to predict the effect of a no deal exit, as there are so many unknowns. A number of sectors have voiced their concerns about the impact of tariffs on their business and the effect of delays at border controls, particularly where firms operate just in time supply chains. For

individuals, there are concerns about medical supplies, increases in living costs, possible food shortages (*30 percent of our food comes from the EU*), financial downturn, multinational companies relocating their business either in part or entirely to an EU country and the potential that travel to the EU might be more difficult if extra checks are introduced.

1.4 The scale and uncertainty over what will happen is a national issue, but we need to understand the possible impact on the Council of a no agreement scenario. We convened an officer group, which included senior staff from Finance, Planning, Economic Development, Housing, ICT, Legal Services, Environmental Health and HR. The team looked at:

- the Council's exposure to the different corporate, project and financial risks identified in the report;
- working with local partners to understand how leaving the EU affects their risks and any shared risks;
- the significant policies relevant to the management of these risks (e.g. investment policy) to ensure they are fit for purpose in the new environment;
- the risk assessment on the assumptions used to generate the medium-term financial plan;
- staffing issues following a review of services which could be most affected
- how to monitor the impact and implications of any future agreement between the UK and EU

## **2. Potential Areas of Risk**

2.1 The lack of certainty over what is going to happen has made planning very difficult. We still have no definite way forward, but it is sensible that we look at the potential risks facing the Council and the wider community based on our exit from the EU with no agreement.

2.2 The risks are complex and do not just involve Council services. They range from:

- changes to regulations and regulatory services such as food hygiene, food standards, emission regulations, waste and procurement
- the potential impact of the withdrawal of EU funding streams
- potential impact on delivery of our corporate plan
- potential impact on our Local Plan
- impact on the local economy and partnerships
- impact on residents due to potential financial downturn
- impact on our services due to financial downturn and potential issues with supply chains and rising costs
- non-uk nationals and the impact on our services if they decide to leave (*The Office of National Statistics Report shows that there has been a steady decrease in EU net migration figures since the year ending September 2016 and is at its lowest since 2013.*)

- impact on our services of UK nationals returning to the UK from the European Union  
*(It is estimated that in 2017 there were 1.3m UK citizens living in EU countries. In the event of a no deal there is uncertainty about what their EU status will be as currently there are no overall guarantees for UK citizens in EU member states as it is up to individual countries to make that decision).*
- the impact of the period of uncertainty and adjustment after the UK leaves
- The impact from changes to legislation may mean that some areas of law are altered either partly or entirely e.g. U.K. employment laws of which many come from European directives. Even in circumstances where there was a no deal exit, the legislation would continue to have effect. It would take further legislation (whether primary or secondary) to amend or abolish it.

2.3 Leaving the EU is not a straightforward process and will take some time to be completely understood due to the levels of integration. As we still do not know the form it will take, it is difficult to make a definitive assessment on the potential economic and service impact on the Council. What is generally considered is that the UK departure will have legal, economic, social and political implications irrespective of the type of agreement reached and the Council needs to identify the risks to our services and communities.

2.4 We need to identify the impact on:

- our financial resilience,
- our funding streams, especially if there is any EU funding through the LEP
- the risks to our corporate plan priorities and major project aspirations,
- the risks on day to day service delivery
- changes to UK employment law (e.g. Working Time Regulations 1998, Agency Worker Regulations 2010) or to government procurement, which is currently subject to EU legislation.
- the impact on the wider community, the economy and business and our ability to attract new inward investment
- the impact on services due to any changes in migration policies particularly important for services with EU nationals on their staff and while there may be protection for existing employees, they may decide to leave due to future uncertainty
- the possible risks of supply chain problems and costs
- fluctuation in demand for some statutory services because of potential economic recession impacting the local economy and housing market e.g. planning and building control
- impact on environmental services which are covered by EU legislation after October 2019 e.g. food safety, air quality, climate change

2.5 We do know that we will be facing a period of uncertainty with potential implications and varying degrees of risk for our service delivery, finances and future plans. The major risks include:

- 2.6 **Direct EU funding** – one of the most obvious financial risks is the loss of future EU funding. The government has guaranteed all funding from the EU until the end of 2020 regardless of whether it concludes a deal with the EU. The Council does not receive any EU funding and all of the local growth fund funding that we receive from the LEP is from the UK government. The government is proposing to set up a Shared Prosperity Fund to replace the EU funding stream but there is no definitive information on how this will work and when it will be available. However, the loss of EU grants across the UK will increase pressure on any future government funding schemes and we need to identify our sources of funding and assess the impact of any funding changes on our longer-term projects.
- 2.7 **Inward investment** – it is difficult to judge how our withdrawal from the EU will affect inward investment and how this will affect the town as we try to attract companies to move into the borough. The lack of certainty over the future, particularly with the larger multi-national companies could affect growth and investment decisions in the short term and there is the risk that they may transfer jobs elsewhere or relocate out of the borough, which would potentially have a negative impact on income from investment property rents.
- 2.8 **Economic Future** - the Bank of England has published the potential economic scenarios if we leave the EU covering the next 5 years. These include the possibility of recession, rising unemployment, a rise in inflation, currency fluctuation and a fall in both commercial and house prices. The figures are speculative due to the level of uncertainty over the final terms of negotiations, but it is prudent that we look at the potential impact of the worst-case scenarios. Any economic downturn and uncertainty can cause budget pressures, which we will have to manage. There could be a knock-on effect on investment and growth and increased pressure on public finances and, therefore, there may be further squeezing of public sector budgets. We also need to be aware of the implications on currency and interest rates, which could affect the financial markets and our investment strategies. This might not only have a potential impact on our financial status but could also affect pension funds.
- 2.9 Our Treasury Management consultants have advised us that the market already priced in a no deal scenario into the currency and stock exchange markets following the outcome of the referendum vote in 2016 and as a result, a significant downturn is not expected in the short term. Our interest projections are very conservative so we do not anticipate a significant change and we consider that at present there is no indication that the cost of UK government borrowing will rise after withdrawal unless the government has to significantly increase borrowing to balance its budget. We are not anticipating a significant impact on our borrowing costs from the Public Works Loan Board, which would have more of an impact on our medium-term budget position than the loss of investment income. However, although we have these assurances there is a continued risk of volatility in the market, inflationary pressures and the possibility of a recession, which would affect our investment property rental income and our parking income.
- 2.10 **Business rate income** – with the local retention of business rates, the Council will increasingly depend on its ability to retain and grow rate-paying businesses.

In addition to the inward investment risk already mentioned, the Council could be more financially vulnerable than before.

- 2.11 **Service pressures** – the unpredictable impact on demand for council services in the event of the UK leaving the EU could be challenging for the Council. We need to scope out where we feel that demand will increase and where there might be a downturn. We will also need to review all of our regulatory services, which are currently governed by EU legislation and identify how we move forward after withdrawal. We have identified services where we employ a number of EU nationals to assess what the risks are to services if those staff decide to leave following our departure from the EU. EU nationals currently make up just over 10% of our workforce and at the moment, there is no suggestion that there will be an immediate risk, but we are monitoring any significant movement.
- 2.12 The longer-term impact on our residents will depend on a number of factors some of which are outside of our immediate control. There has been a drop in net migration from the EU since 2016 and while this may reduce demand on Council services there are concerns over the potential impact on the NHS and care sectors that rely on staff from the EU for many of their services. Any downturn will put further pressure on a sector that is already stretched and struggling to deliver the level of care required for our ageing elderly population. This will inevitably affect some of our residents who rely on care staff to provide services in their own home and we are working with the NHS and Surrey County Council (SCC) to identify those most at risk.
- 2.13 **Housing/Homelessness** - an economic downturn will have a significant impact on housing, employment and incomes. This could result in a need to provide more support for tenants struggling with sudden changes in circumstances as well as the risk of potential increases in voids, arrears and bad debt. Homelessness may also increase because of the pressure on housing and the reduction in new developments. In the event of a recession there will be a rise in the number of housing and council tax benefit applications due to the downturn in the economy
- 2.14 **Housing Development** - ongoing uncertainty could lead to an increase in inflation in materials and labour costs. In addition, according to the Bank of England scenarios, there could be a significant fall in house prices. This combination could put pressure on development projects, and we will need to monitor movements in the market such as delays in development completions that might be early warning signs of problems.
- 2.15 **ICT and digital** - Over the last few years organisations have increasingly been taking advantage of the relatively cheap and accessible cloud-based data storage and hosting technology. The Council does store data in the cloud but because potentially the UK will leave the EU we need to understand where this data is held and which laws govern its use and access. In the event of a no-deal, the U.K. becomes what is termed a Third Country and as such is no longer a part of the EU's General Data Protection Regulation (GDPR).
- 2.16 It may be difficult to transfer data from an EEA-based cloud back to the U.K. in the event of a no deal because the cloud providers in the EEA will be subject to

GDPR and there may be restrictions on them. In theory, legislation could make it possible to easily transfer data to a Third Country, which is what the U.K. will become if what is known as an adequacy decision has been reached with the Third Country. This happens when the EU is satisfied that the Third Country's data protection laws are sufficiently strong. While the U.K. would hope to achieve this after a transition period, in the case of a no deal withdrawal this might not be in place in time.

- 2.17 **Suppliers** – The dossier codenamed Operation Yellow Hammer which was leaked to the press outlined the government's view of the risks to our supply chains in the event of a no deal. It contains details of the potential impact on our supply chains in particular on medicines, food supplies and fuel distribution. Three quarters of our medicines come to the UK through the main Channel crossing between the UK and France and some are particularly vulnerable to severe delays. While some products can be stockpiled, others cannot because of short shelf lives, and It would not be practical to stockpile six months' supplies.
- 2.18 It is widely reported that following our withdrawal there will be food shortages, especially of fresh foodstuffs and there will be further pressure if prices rise because of the introduction of tariffs. We have looked at our supply chains in particular where problems could affect our vulnerable residents and essential services and we have received assurances from suppliers such as our Meals on Wheels provider that they have contingency plans in place. However, wider problems could arise with increased pressure on food banks and we are working with SCC to identify areas of highest need and how we can co-ordinate resources if needed.
- 2.19 One of the main areas of risk is the prospect of fuel shortages. This could affect our services especially our refuse fleet, housing repairs and community services. Although we do have our own storage facilities, a national fuel supply chain problem coupled with panic buying could have an impact. In the event of fuel shortages distribution will be based on the priority services and we are looking at contingency plans to mitigate the risk.
- 2.20 Some of these issues are within our control and we are looking to secure our supply chains in the short term to minimise the risks to our services as much as we can. However, many of these issues have the potential to have an impact on the wider community but are outside our direct control. We are working with other partners such as the NHS, Police and SCC to understand the level of risk and put contingency plans in place. These are ongoing.

### **The effect of the EU (Withdrawal) Act 2018**

- 2.21 In the event of the UK leaving the EU, the EU (Withdrawal) Act 2018 (EUWA) will come into effect. The Act creates a new category of domestic law i.e. 'retained EU law'. The Act effectively removes the domestic constitutional basis for EU law having effect in the U.K; however, it still provides for the retention of most EU law by "converting" it into a freestanding body of domestic law. The 'retained EU law' will replicate several different sources of EU law as domestic equivalents under three distinct provisions by preserving 1) EU-derived domestic legislation 2) Direct EU legislation and 3) Directly effective rights and other rights.



Therefore, the Act enables the U.K to retain the following legislation, as it existed on exit day:

- EU regulations, decisions and tertiary legislation and elements of the EEA agreement
- Domestic legislation passed to implement EU directives
- Most general principles of EU law
- Most rights and obligations that currently exist in domestic law because of s2(1) European Communities Act 1972
- Relevant case law of the Court of Justice of the European Union

### **The effect of the European Union (Withdrawal) (No.2) Act 2019**

2.22 On 9 September 2019, the European Union (Withdrawal) (No.6) Bill 2017-19 received Royal Assent to become the European Union (Withdrawal) (No. 2) Act 2019.

2.23 The Act may have an effect on the proposed leaving date and includes provisions which:

- Impose a legal obligation on the Prime Minister to request a third extension to the Article 50 period until 23:00 on 31 January 2020. This would be the case, unless, by 19 October 2019, the government has obtained Parliament's consent either to a withdrawal agreement or a no-deal exit.
- Require the Prime Minister to immediately accept a European Council (EC) decision to agree an extension to 23:00 on 31 January 2020. Should the EC propose an alternative end date, the Prime Minister must either accept that extension, or ask the House of Commons to make a decision on its approval. In the event that the House of Commons decide not to pass a motion approving the proposed extension, the Prime Minister can then decide whether to accept or reject the proposal.
- If, by the time an extension period starts, the exit day definition is not changed to reflect the new exit date, the extension still has effect and as such the UK would remain an EU member state throughout the extension period. However, the UK would be in breach of its international obligations to give effect to EU law in domestic law during that period. If exit day is not changed, domestic legislative events would be triggered on the old exit day (as defined in the EUWA 2018) that would be incompatible with the UK's position as a continuing member state during the extension period, such as the repeal of the European Communities Act 1972 and the creation of retained EU law.

## **3 Financial Implications**

3.1 There are no financial implications arising directly from this report. However, any resource implications associated with the implementation of the contingency plan will be subject to necessary reporting and approval processes.

**4 Legal Implications**

- 4.1 There are no legal implications arising directly from this report. The report identifies areas of risk and highlights where further work needs to be done to mitigate the risks wherever possible.

**5. Human Resource Implications**

- 5.1 There are no human resources implications arising directly from this report, but we will monitor the impact on our services over the next six months.

**6 Conclusion**

- 6.1 This report sets out the potential risks and challenges for the Council if we do not reach an agreement with the EU. The current situation is in a state of flux and issues will change depending on whether there is an agreement over the next few weeks. Whatever the outcome of the negotiations we need to be in a position to limit the risks to the Council and to identify new opportunities as and when they arise.

**7. Background Papers**

None

**8. Appendices**

None

Corporate Governance and Standards Report

Ward(s) affected: All

Report of Director of Finance

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Date: 19 September 2019

## Financial Monitoring 2019-20

### 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 July 2019.

Officers are projecting a decrease in net expenditure on the general fund revenue account of £685,082, which includes a £171,280 reduction in the statutory Minimum Revenue Provision (MRP) charge to the general fund to make provision for the repayment of past capital debt reflecting a re-profiling of capital schemes. At service level, the projected outturn is £513,802 lower than the latest estimate once adjusted for items either funded from reserve or transferred to reserve.

A surplus on the Housing Revenue Account will enable a projected transfer of £10.952 million to the new build reserve and the reserve for future capital at year-end. The transfer is projected to be £18,000 higher than budgeted assumption and reflects modest variations in repair and maintenance expenditure and staffing costs.

Officers are making progress against significant capital projects on the approved programme as outlined in section 7. The Council expects to spend £82.5 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 £46.04 million by 31 March 2020, against an estimated position of £53.35 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 £99.2 million of investments and £231.9 million of external borrowing at 31 July 2019, which includes £192.9 million of HRA loans. Officers confirm that the Council has complied with its Prudential indicators in the period, which were set in February 2019 as part of the Council's Capital Strategy.

### **Recommendation to Corporate Governance and Standards Committee**

That the Committee notes the results of the Council's financial monitoring for the period April to July 2019 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 July 2019.

#### **2. Strategic Priorities**

- 2.1 Councillors have reviewed and adopted an ambitious corporate plan for the period 2018-2023. 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 the corporate plan.

#### **3 Background**

- 3.1 The Council undertakes regular financial monitoring in the following ways:
  - (a) reporting the General Fund and Housing Revenue Account position on a bimonthly basis [periods 2, 4, 6, 8 and 10] This report covers the period to July 2019 [period 4] and covers all Council services
  - (b) quarterly monitoring of the capital programme
  - (c) monthly and quarterly monitoring of its treasury management activity
- 3.2 The Council's Corporate Management Team (CMT), Chief Finance Officer and deputies, 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 We have amended the monitoring periods for 2019-20 to better align with scheduled dates for meetings of this Committee. This change enables the Committee to scrutinise the financial monitoring on five occasions rather than the previous four occasions.

3.4 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. Officers have prepared the projected outturn on four 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 virement or supplementary estimates approved since the original budget was set in February 2019.
- 4.3 At total service level, after adjustment for movements to and from reserve, the projected outturn is £513,802 lower than the latest estimate.
- 4.4 Net external interest is currently projected to be consistent with our original estimate.
- 4.5 The Minimum Revenue Provision (MRP), based on the Capital Financing Requirement (CFR) at 31 March 2019 for the purposes of this report is shown as £795,000. This is £171,280 lower than originally estimated. The reduction is due to slippage in the capital programme experienced during 2018-19.
- 4.6 The overall projected position for net expenditure is £685,082 lower higher than estimate.
- 4.7 The table shows the supplementary estimates and virements approved to date.

#### Supplementary Estimates 2019-20

Service/Description	Approval Date	Committee	Value
Nil			
<b>TOTAL</b>			<b>£NIL</b>

#### Virement Record 2019-20

Service/Description	Nature of Virement	Approved by	Date of Approval	Value £
Constant Power – Business Continuity [budget responsibility change]	Recurrent	V Worsfold	14 May	4,250
Web Team Salary Account [alignment of general ledger coding]	Recurrent	V Worsfold	29 May	33,680
Repairs and maintenance Holding Account [alignment of general ledger coding]	Recurrent	V Worsfold	7 June	1,400,000
Electric Theatre [budget responsibility change]	Non-Recurrent	V Worsfold	19 June	5,730

Service/Description	Nature of Virement	Approved by	Date of Approval	Value £
Surrey Police Domestic Abuse Grant [transfer of funding]	Non-Recurrent	J Whiteman	11 July	6,000
Transfer of training budgets [allocation of budgets across services from holding account]	Non-Recurrent	V Worsfold	12 July	209,860
<b>TOTAL</b>				<b>1,659,520</b>

4.8 **Appendix 2** provides detailed information on variances at service level. The table below summarises the main components of the lower than budgeted service level expenditure referred to in paragraph 4.3.

Service/Budget heading	Variance to revised estimate £000	Explanation
Corporate Inflation Budget	(145)	Current working assumption on cost pressures will produce a saving
Planning – Development Control	401	Use of short term staff , lower than budgeted income and planning appeal costs (the largest being in respect of Manor Farm, The Quadrant and the Royal Surrey Hospital Car park) . The outcome of all these appeals is not yet known so this figure may reduce.  Funding for these costs may come from the budget pressures reserve, officers are currently monitoring the position and seeking to recover costs where appeals are upheld.
Crematorium fees	(292)	Reduction in assumed level of disruption
Homelessness and Emergency Accommodation	(220)	Grant Income received for Homelessness Support, Rough Sleeping initiative and Prevention partnership funding. The balance of funding will be transferred to reserve at the end of the year to fund future years programmes
Off-Street Car Parking	338	Projection for income at Bedford Rd, Castle and York Rd MSCP less than budgeted.  The reduction in use (possibly due to the rise in internet shopping) has meant that it is unlikely that the income target will be achieved.
Salary Costs	(400)	Salary savings net of assumed vacancy level across the organisation.
Legal Services	(127)	Additional income from S106 agreements and employee vacancies
Leisure Centres	(67)	Recovery of Combined Heat & Power (CHP) charges from contractor
Total	(512)	

*Use of Reserves*

- 4.9 As part of the budget setting process for 2019-20 we assumed that £2.6 million would be transferred from earmarked reserves during the year. It is currently assumed that the amount to be transferred from earmarked reserves will increase by £2.1 million to £4.7 million. The table below highlights the major movement along with supporting narrative

<b>Reserve</b>	<b>Original Estimate £000</b>	<b>Projected Outturn £000</b>	<b>Variance £000</b>	<b>Explanation</b>
Budget Pressures	(200)	0	200	In 2017-18 Council approved the use of this reserve to offset the potential loss of income during the crematorium rebuild project of £846,000 in 2018-19 and £200,000 in 2019-20. The disruption has been less than anticipated and consequently it is not currently proposed to use this reserve.  As this funding is not required to offset the revenue loss of income, a report to Council is currently being prepared to seek approval to use the funding that was set aside in 18/19 and 19/20, to offset the overspend on the crematorium capital project.
Car Parks Maintenance Reserve	(1,004)	(1,538)	(534)	Profiling of repair and maintenance expenditure at our MSCP's.
Business Rates Equalisation reserve	(2,345)	(2,570)	(225)	Additional costs of feasibility studies for transport and infrastructure projects to be funded from this reserve.
Election costs Reserve	62	(129)	(191)	An annual contribution is budgeted as part of the budget process to equalise the cost of Borough Elections held on a four-year cycle. The expenditure shown relates to Borough elections held in May 2019.
Invest to Save	814	163	(651)	Funding to support the ICT transformation programme and ICT cloud migration.
Recycling Reserve	0	(150)	(150)	This reserve equalises the impact in the revenue account of adverse market movements in the income generated from recycle materials. It is proposed to use the reserve to support £150,000 of costs in 2019-20.
Carry Forward Items	0	(1,714)	(1,714)	Approved and budgeted projects that were ongoing at the end of the financial year. By allowing unspent project budgets to be carried forward to the next budget period, the pressure to use it or lose it is reduced. Budget managers are given more time to purchase goods or services that contribute to the achievement of objectives, which in turn promotes efficient use of resources.
Other Reserves	17	1,160	1,143	The large increase is due to Special Protection Area income received for the future development and maintenance of green spaces. This has been received following the approval of the Local plan.
<b>TOTAL</b>	<b>2,656</b>	<b>4,778</b>	<b>2,122</b>	

## 5 Housing Revenue Account

- 5.1 **Appendix 3** shows the budget monitoring report for the Housing Revenue Account (HRA) for the period April to July 2019. The report shows that HRA gross service expenditure is projected to outturn at 100.06% of the budgeted level, whilst income is projected to be 100.04% of the budgeted level. The projected outturn would enable a transfer of around £10.952 million to the new build reserve and the reserve for future capital, compared to the budgeted transfer of £10.934 million.
- The rental income estimate for 2019-20 incorporated a prudent allowance for Right to Buy (RTB) sales and the re-commissioning of units, along with an estimate for the additional income from new units. Based on data from April to July, rental income is projected to be consistent with the estimate, at just £12,370 (0.06%) below the budget of £29.736 million.
  - Current projections indicate that salary related expenditure; net of temporary staffing and a vacancy allowance of £77,630, will be in line with the budget.
  - Emphasis continues to be on planned rather than responsive maintenance, but as the budget provides for both planned and responsive repairs, an element of demand driven cost is inherent in the expenditure. The previous financial year saw an increase in void levels and the service continues to experience higher levels of repair costs in a large part due to voids. Whilst the service returns the property to use as soon as possible, void units typically incur additional repair and improvement expenditure in order to prepare them for subsequent tenants.
  - At this point of the year, expenditure on direct repairs and maintenance (R&M) is projected to be 4% (£182,580) above the equivalent figure for 2018-19. R&M expenditure above the annual estimate for 2019-20 can be accommodated within the overall budget primarily due to a reduction in the contribution to the bad debt provision (see paragraph 5.3 below).
  - 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. This is consistent with the HRA Business Plan, which prioritised the provision of additional housing. This approach will be subject to regular review and an updated business plan will be submitted reflecting constraints placed on the HRA by the prevailing legislation.
- 5.2 Tenancy arrears presently remain stable. 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.
- 5.3 Although rent arrears remain at consistent levels, this is in contrast to the overall housing sector, which is experiencing an increase in the level of arrears. Although a number of welfare reform changes have now taken effect, the delay in the roll out of universal credit has so far deferred any potential impact on arrears



levels. As a result, the budgeted contribution of £300,000 to the bad debt provision has been reduced by £250,000.

## 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. Currently, the general fund is 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 month 4.

Loan type		Balance 31 Mar 19 £000	New loans £000	Loans repaid £000	Balance 31 Jul 19 £000	Weighted average rate of
<b>PWLB</b>						3.16%
Variable		45,000	0	0	45,000	
Fixed	Maturity	147,435	0	0	147,435	
	EIP	575	0	(115)	460	
<b>Total long-term Loans</b>		<b>193,010</b>	<b>0</b>	<b>(115)</b>	<b>192,895</b>	
Temporary Loans		20,000	44,000	(25,000)	39,000	0.83%
<b>Total Loans</b>		<b>213,010</b>	<b>44,000</b>	<b>(25,115)</b>	<b>231,895</b>	

### Investment activity

- 6.4 During the period, we have continued with the diversification of our in-house investment portfolio into 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 and projected investment income for 2019-20 is £1.7 million. The gross cash balances representing the Council's reserves and working balances at 31 July 2019 available for investment were £99.2 million and net of short-term borrowing £91.3 million.
- 6.6 The Council's budgeted, and projection of external interest cost, which relates to short and long-term borrowing, for the year is £0.6 million.
- 6.7 The original net interest receivable budget was £877,355. As at 31 July, we are projecting that the outturn will be in line with the budget.

6.8 The Council's annualised weighted return on investments for the period to July 2019 was 1.58% against an estimate of 1.629%.

6.9 The table below summarises the Council's investment activity for April to July 2019.

Investment	Principal invested £000	Balance 31 Mar 19 £000	Movement in investment £000	Change in capital value £000	Balance 31 Jul 19 £000	Weighted average rate of interest
<u>Investment Funds</u>						
CCLA	5,000	6,756	0	(27)	6,729	2.17%
M&G	2,008	1,395	0	89	1,484	1.11%
Schroders	1,000	856	0	(31)	824	4.00%
Funding Circle	490	511	0	0	511	1.89%
UBS	2,500	2,312	0	17	2,329	1.15%
<u>In- House Investments:</u>						
Call Accounts		0	97		97	0.40%
Money Market Funds		13,229	(5,445)		7,784	0.77%
Notice Accounts		8,000	0		8,000	0.92%
Temporary Fixed Deposits		6,000	8,000		14,000	1.07%
Unsecured bonds		2,300	360		2,660	0.76%
Covered Bonds		18,850	1,000		19,850	0.97%
Long Term Fixed Deposits		21,500	6,000		27,500	1.65%
Revolving Credit Facility		7,500	0		7,500	2.17%
<b>Total Investments</b>		<b>89,209</b>	<b>10,012</b>		<b>99,268</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.

### Prudential Indicators

6.11 Officers confirm that the Council has complied with its Prudential indicators in the period, which were set in February 2019 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 £464 million for 2019-20.

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 £404 million for 2019-20.
- 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 £213 million.

## 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 2019 for each scheme
- the estimate for 2019-20 as approved by Council in February 2019
- the 2019-20 revised estimate which takes into account the approved estimate, any project under spends up to 31 March 2019, and any virement or supplementary estimates
- 2019-20 current expenditure
- 2019-20 projected expenditure estimated by the project officer

7.2 The table below summarises the current position on the various strands of the Council's capital programme. Detailed explanation is provided in paragraphs 7.3 to 7.11

<b>CAPITAL EXPENDITURE SUMMARY</b>	<b>2019-20 Approved £000</b>	<b>2019-20 Revised £000</b>	<b>2019-20 Outturn £000</b>	<b>2019-20 Variance £000</b>
<b>General Fund Capital Expenditure</b>				
- Main Programme	60,334	69,787	65,967	(3,820)
- Provisional schemes	19,646	20,169	8,485	(11,684)
- Schemes funded by reserves	6,769	9,305	7,927	(1,378)
- S106 Projects	36	150	150	0
- Affordable Housing (General Fund)	0	0	0	0
<b>Total Expenditure</b>	<b>86,785</b>	<b>99,411</b>	<b>82,529</b>	<b>(16,882)</b>
<b>Housing Revenue Account Capital Expenditure</b>				
Approved programme	8,567	13,267	13,266	(2)
Provisional programme	406	1,106	1,106	0
<b>Total Expenditure</b>	<b>8,973</b>	<b>14,373</b>	<b>14,372</b>	<b>(2)</b>

### Approved (main) programme (Appendix 4)

7.3 Expenditure is expected to be £65.96 million representing a £3.82 million variance to the revised estimate of £69.78 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 £13.82 million may seem low, a number of significant projects are in progress. These include:

- ED25 – Guildford Park infrastructure works (£3.76 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) (£15.22 million) - work is progressing on the detailed design, pre-planning and site investigation work for this scheme to inform the final business case. Report is going to Council in December 2019. Pre-agreement invoices (Thames Water) have been signed off with post- agreement in pipeline.
- PL9 – Crematorium rebuild (£7.26million) – work is progressing on this scheme which is scheduled for completion in 2019-20
- ED32 – Internal Estate Road CLLR Phase 1 (£8.85 million) - a bid for LEP funding has been submitted with decision pending. Building work on this scheme has now started.
- ED49 – Midleton Industrial Estate redevelopment (£1.8 million) – work on design and planning is progressing.

7.4 In addition to the schemes outlined above, the re-profiling of the following significant amounts that were due to be spent on schemes or projects in 2019-20 will now be carried forward into 2020-21 or vice versa.:

- Town Centre Gateway Regeneration (£3.48 million) – spend now expected in 2020-21.

#### **Provisional programme (Appendix 5)**

7.5 Expenditure on the provisional programme is expected to be £8.48 million, against the revised estimate of £20.16 million, representing a variance of £11.69 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:

- ED25(p) – Guildford Park new MSCP and infrastructure works (£4.38 million)
- P11(p) – Guildford West (PB) station (£1.15 million)

The re-profiling of schemes has resulted in a significantly lower level of expenditure than planned in 2019-20.

7.6 A number of other projects, that were also anticipated to start in 2019-20 have been re-profiled into future years including:

- PL21(p) – Ash Road Bridge (£9.04 million)

#### **S106 (Appendix 6)**

7.7 Capital schemes funded from s106 developer contributions are expected to total £150,000.

### **Reserves (Appendix 7)**

7.8 The outturn for capital schemes funded from the Council's specific reserves is anticipated to be £7.92 million. The main projects are:

- expenditure on car parks £2.57 million
- ICT renewals and infrastructure improvements £3.12 million

### **Capital resources (Appendix 8)**

7.9 When the Council approved the budget, the estimated underlying need to borrow for 2019-20 was £53.35 million. The current estimated underlying need to borrow is £46.04 million. The reduction is due to slippage in the programme where schemes are re-profiled into future years.

### **Housing Investment Programme Approval Capital (Appendix 9)**

7.10 The HRA approved capital programme is expected to outturn at £13.26 million against a revised estimate of £13.26 million. A number of projects are in progress. These include:

- Guildford Park - 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.
- Ladymead/Fire Station – works started on site in Autumn 2018.

### **Housing Investment Programme Provisional Capital (Appendix 10)**

7.11 The provisional programme revised estimate is £1.10 million with expenditure anticipated this financial year of £1.10 million. This programme includes provision for the opportunity purchase of land and housing for development, which is dependent on the availability of suitable sites.

## **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 the Chartered Institute of Public Finance and Accountancy (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 2019-20 financial year based on four months actual data. There are no specific recommendations and therefore no options to consider.

## **14 Conclusion**

- 13.1 The report summarises the financial monitoring position for the period April to July 2019 for the 2019-20 financial year.
- 13.2 Officers are currently projecting a reduction in net income in expenditure of £685,082 on the general fund revenue account.
- 13.3 The CFO in consultation with the Lead Councillor for Finance and Customer Service will determine the treatment of any balance as part of closing the 2019-20 accounts.
- 13.4 The surplus on the Housing Revenue Account will enable a transfer of £10.952 million to the new build reserve and the reserve for future capital at year-end.
- 13.5 Actual expenditure incurred on our general fund capital programme for the period has been comparatively low against the programme envisaged at the 1 April 2019. Officers are making progress against significant capital projects on the approved programme as outlined in section 7. The Council expects to spend £82.5 million on its capital schemes by the end of the financial year.

- 13.6 It is anticipated that the Council's underlying need to borrow to finance the capital programme will be £46.04 million by 31 March 2020. The Council has complied with Prudential Indicators during the period with the exception of the upper limit on variable interest rates.
- 13.7 At the end of July 2019, the Council had £99.2 million of investment balances, and £231.9 million borrowing.

**14 Background Papers**

None

**15 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 approved capital programme  
Appendix 10- Housing Revenue Account provisional capital programme

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Agenda item number: 6  
Appendix 1

Actual 2018-19 £	GENERAL FUND SUMMARY [APRIL 2019 - JULY 2019]	Original Estimate 2019-20 £	Latest Estimate 2019-20 £	Projected Outturn 2019-20 £
(13,789,834)	Community Services	(795,580)	(472,682)	(1,065,439)
10,426,129	Planning and Regeneration	3,247,260	4,841,660	5,233,117
13,240,650	Environment	11,125,160	11,589,070	11,098,597
891,014	Managing Director	801,740	812,007	1,341,279
7,666,720	Finance	6,611,420	6,637,323	6,002,111
<b>18,434,679</b>	<b>Total Directorate Level</b>	<b>20,990,000</b>	<b>23,407,378</b>	<b>22,609,665</b>
(2,842,029)	Depreciation (contra to Service Unit Budgets)	(8,011,160)	(8,011,160)	(8,011,160)
<b>15,592,649</b>	<b>Directorate Level excluding depreciation</b>	<b>12,978,840</b>	<b>15,396,218</b>	<b>14,598,505</b>
(1,815,098)	External interest receivable (net)	(877,355)	(877,355)	(877,355)
795,190	Minimum Revenue Provision	966,280	966,280	795,000
(27,056)	Revenue income from sale of assets			
	<b>Revenue Contributions to Capital Outlay (RCCO)</b>			
1,641,467	Met from: Capital Schemes reserve			
2,479,854	Other reserves	2,992,000	2,992,000	2,992,000
95,750	General Fund			
<b>18,762,756</b>	<b>Total before transfers to and from reserves</b>	<b>16,059,765</b>	<b>18,477,143</b>	<b>17,508,150</b>
(from) to	<b>Transfers to and from reserves</b>			
	Capital Schemes reserve			
(1,641,467)	Funding of Revenue Contribution to Capital Outlay Contribution in year			
(129,227)	Budget Pressures reserve	(200,000)	(200,000)	0
2,490,052	Business Rates Equalisation reserve	(2,345,206)	(2,569,842)	(2,570,175)
87,376	Car Park Maintenance reserve	(1,003,790)	(1,138,190)	(1,538,120)
62,500	Election Costs reserve	62,500	62,500	(128,893)
456,206	Housing Revenue Account	598,260	598,260	598,260
11,278	Insurance reserve	(530)	(530)	7,504
(896,802)	IT Renewals reserve	(534,290)	(534,290)	(534,290)
3,240	Invest to Save reserve	814,079	714,079	163,211
(351,438)	New Homes Bonus reserve	8,646	8,646	8,646
(68,644)	Energy Management reserve	0	0	0
(169,709)	On Street Parking reserve	(239,780)	(239,780)	(258,388)
(4,522,771)	Pensions reserve (Statutory)	0	0	0
(300,000)	Recycling reserve	0	0	(150,000)
13,340	Spectrum reserve	185,140	185,140	185,140
398,488	Carry Forward Items	0	(1,884,997)	(1,713,843)
1,148,318	Other reserves	17,510	(55,835)	1,160,020
<b>15,353,495</b>	<b>Total after transfers to and from reserves</b>	<b>13,422,304</b>	<b>13,422,304</b>	<b>12,737,222</b>
	<b>Business Rates Retention Scheme payments</b>			
22,269,018	Business Rates tariff payment	31,332,993	31,332,993	31,332,993
	Business Rates levy payment to MHCLG	1,274,000	1,274,000	1,274,000
(475,774)	Business Rates tariff payment from MHCLG	0	0	0
(973,269)	Business Rates pilot gain from Surrey Pilot Pool	0	0	0
	<b>Non specific government grants</b>			
(1,184,857)	s31 grant re BRR scheme	(1,825,148)	(1,825,148)	(1,825,148)
(21,976)	s31 grant re council tax	0	0	0
(23,862)	New Burdens grant	0	0	0
	Other government grant	(44,208)	(44,208)	(44,208)
(1,200,586)	New Homes Bonus grant	(1,039,201)	(1,039,201)	(1,039,201)
<b>33,742,189</b>	<b>GUILDFORD BOROUGH COUNCIL NET BUDGET</b>	<b>43,120,740</b>	<b>43,120,740</b>	<b>42,435,658</b>
1,631,985	Parish Council Precepts	1,740,697	1,740,697	1,740,697
<b>35,374,174</b>	<b>TOTAL NET BUDGET</b>	<b>44,861,437</b>	<b>44,861,437</b>	<b>44,176,355</b>
(26,159,016)	Business Rates - retained income	(34,941,330)	(34,941,330)	(34,941,330)
52,958	Collection Fund Deficit - Business Rates	1,493,170	1,493,170	1,493,170
38,032	Collection Fund Surplus - Council Tax	85,997	85,997	85,997
<b>9,306,148</b>	<b>COUNCIL TAX REQUIREMENT</b>	<b>11,499,274</b>	<b>11,499,274</b>	<b>10,814,192</b>
	<b>Projected (under)/over spend</b>			<b>(685,082)</b>
	<b>Movement in MRP and External Interest</b>			<b>171,280</b>
	<b>Underlying (under) / overspend on services</b>			<b>(513,802)</b>

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**Community Services Directorate**

**Revised Budget      Projected Outturn      Variance**  
**£                              £                              £**

**Notes**

**SERVICE SUMMARY**

Direct Expenditure	16,108,218	16,654,078	545,860
Income	(19,856,320)	(21,044,715)	(1,188,395)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(3,748,102)</b>	<b>(4,390,637)</b>	<b>(642,535)</b>
Indirect Expenditure	3,275,420	3,325,198	49,778
<b>Net (Income)/Expenditure</b>	<b>(472,682)</b>	<b>(1,065,439)</b>	<b>(592,757)</b>

**BUILDING MAINTENANCE**

Direct Expenditure	3,434,750	3,996,616	561,866
Income	(3,519,350)	(4,081,240)	(561,890)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(84,600)</b>	<b>(84,624)</b>	<b>(24)</b>
Indirect Expenditure	80,050	80,074	24
<b>Net (Income)/Expenditure</b>	<b>(4,550)</b>	<b>(4,550)</b>	<b>0</b>

A variation in the level of work undertaken, including an increase in resources to reduce the length of void periods for HRA properties. These additional costs will be recharged to the Housing Revenue Account.  
 See above

**GYPSY AND TRAVELLER SITES**

Direct Expenditure	96,530	96,223	(307)
Income	(202,390)	(202,390)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(105,860)</b>	<b>(106,167)</b>	<b>(307)</b>
Indirect Expenditure	3,890	3,902	12
<b>Net (Income)/Expenditure</b>	<b>(101,970)</b>	<b>(102,265)</b>	<b>(295)</b>

**CITIZENS ADVICE BUREAU**

Direct Expenditure	283,420	283,422	2
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>283,420</b>	<b>283,422</b>	<b>2</b>
Indirect Expenditure	1,290	1,294	4
<b>Net (Income)/Expenditure</b>	<b>284,710</b>	<b>284,716</b>	<b>6</b>

**CIVIL EMERGENCIES**

Direct Expenditure	60,550	60,717	167
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>60,550</b>	<b>60,717</b>	<b>167</b>
Indirect Expenditure	3,090	3,102	12
<b>Net (Income)/Expenditure</b>	<b>63,640</b>	<b>63,819</b>	<b>179</b>

**CORPORATE PROPERTY SERVICES**

Direct Expenditure	2,514,917	2,122,951	(391,966)
Income	(1,176,510)	(1,203,812)	(27,302)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>1,338,407</b>	<b>919,139</b>	<b>(419,268)</b>
Indirect Expenditure	474,680	474,712	32
<b>Net (Income)/Expenditure</b>	<b>1,813,087</b>	<b>1,393,851</b>	<b>(419,236)</b>

Planned Maintenance budgets are held centrally by Corporate Property Services and expenditure is shown in the services areas. The expenditure to date forecasted in service areas (£424k) therefore shows as a forecast underspend in Corporate Property. Salary savings are due to a delay in recruitment of a surveyor until October 2019.  
Additional hours worked on capital projects will be charged to capital projects through time sheets £27,000

**DAY SERVICES**

Direct Expenditure	614,810	607,135	(7,675)
Income	(152,610)	(157,090)	(4,480)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>462,200</b>	<b>450,045</b>	<b>(12,155)</b>
Indirect Expenditure	173,920	173,697	(223)
<b>Net (Income)/Expenditure</b>	<b>636,120</b>	<b>623,742</b>	<b>(12,378)</b>

**EMERGENCY COMMUNICATIONS SYSTEM**

Direct Expenditure	261,440	263,819	2,379
Income	(399,520)	(399,520)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(138,080)</b>	<b>(135,701)</b>	<b>2,379</b>
Indirect Expenditure	68,470	68,490	20
<b>Net (Income)/Expenditure</b>	<b>(69,610)</b>	<b>(67,211)</b>	<b>2,399</b>

**EMI SERVICES**

Direct Expenditure	288,890	242,452	(46,438)
Income	(105,680)	(134,152)	(28,472)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>183,210</b>	<b>108,300</b>	<b>(74,910)</b>
Indirect Expenditure	47,050	47,070	20
<b>Net (Income)/Expenditure</b>	<b>230,260</b>	<b>155,370</b>	<b>(74,890)</b>

Expenditure savings are primarily due to vacant post savings totalling £45,000. It is not anticipated that recruitment will occur until a wider restructure is complete.

Changes in the way SCC fund the EMI unit are forecast to produce an overall improvement against budgeted income for the year of £28k.

**ENVIRONMENTAL CONTROL**

Direct Expenditure	424,740	425,470	730
Income	(26,180)	(28,108)	(1,928)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>398,560</b>	<b>397,362</b>	<b>(1,198)</b>
Indirect Expenditure	65,670	66,976	1,306
<b>Net (Income)/Expenditure</b>	<b>464,230</b>	<b>464,338</b>	<b>108</b>

**SURREY FAMILY SUPPORT PROGRAMME**

Direct Expenditure	430,020	392,377	(37,643)	Expenditure savings are due to vacant post savings totalling £90,000. This is offset by forecast expenditure to support the Refugee Programme which is not included in the budget as it is anticipated this will be funded from grant income not yet received.
Income	(429,510)	(426,537)	2,973	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>510</b>	<b>(34,160)</b>	<b>(34,670)</b>	
Indirect Expenditure	91,260	91,268	8	
<b>Net (Income)/Expenditure</b>	<b>91,770</b>	<b>57,108</b>	<b>(34,662)</b>	

**FOOD AND SAFETY SERVICES**

Direct Expenditure	316,000	318,877	2,877
Income	(1,080)	(1,816)	(736)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>314,920</b>	<b>317,061</b>	<b>2,141</b>
Indirect Expenditure	57,820	57,828	8
<b>Net (Income)/Expenditure</b>	<b>372,740</b>	<b>374,889</b>	<b>2,149</b>

**HEALTH AND SAFETY**

Direct Expenditure	147,470	151,481	4,011
Income	(156,330)	(156,330)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(8,860)</b>	<b>(4,849)</b>	<b>4,011</b>
Indirect Expenditure	18,090	18,102	12
<b>Net (Income)/Expenditure</b>	<b>9,230</b>	<b>13,253</b>	<b>4,023</b>

**HOUSING SURVEYING SERVICES**

Direct Expenditure	668,500	682,715	14,215
Income	(755,970)	(770,213)	(14,243)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(87,470)</b>	<b>(87,498)</b>	<b>(28)</b>
Indirect Expenditure	102,740	102,768	28
<b>Net (Income)/Expenditure</b>	<b>15,270</b>	<b>15,270</b>	<b>0</b>

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

Direct Expenditure	499,740	473,029	(26,711)	The cash grant for Wey Valley Bowls Club has been replaced with alternative financial support.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>499,740</b>	<b>473,029</b>	<b>(26,711)</b>	
Indirect Expenditure	5,120	5,128	8	
<b>Net (Income)/Expenditure</b>	<b>504,860</b>	<b>478,157</b>	<b>(26,703)</b>	

**HOME FARM ESTATE, EFFINGHAM**

Direct Expenditure	107,925	108,157	232
Income	(11,000)	(11,000)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>96,925</b>	<b>97,157</b>	<b>232</b>
Indirect Expenditure	23,410	23,410	0
<b>Net (Income)/Expenditure</b>	<b>120,335</b>	<b>120,567</b>	<b>232</b>

**HOMELESSNESS AND EMERGENCY ACCOMMODATION**

Direct Expenditure	781,620	989,517	207,897	Income received from MHCLG in respect of Flexible Homelessness Support Grant £246,026, Rough Sleeper Initiative £142,000 and Prevention Partnership Fund £34,461 will be used to support additional expenditure shown above. The balance of funding will be transferred to reserve at year-end to support homelessness prevention in subsequent years.
Income	(9,000)	(436,487)	(427,487)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>772,620</b>	<b>553,030</b>	<b>(219,590)</b>	
Indirect Expenditure	101,730	101,746	16	
<b>Net (Income)/Expenditure</b>	<b>874,350</b>	<b>654,776</b>	<b>(219,574)</b>	

**HOUSING ADVICE**

Direct Expenditure	302,580	302,613	33
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>302,580</b>	<b>302,613</b>	<b>33</b>
<b>Net (Income)/Expenditure</b>	<b>302,580</b>	<b>302,613</b>	<b>33</b>

**AFFORDABLE HOUSING DEVELOPMENT**

Direct Expenditure	92,690	95,436	2,746
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>92,690</b>	<b>95,436</b>	<b>2,746</b>
Indirect Expenditure	23,810	25,978	2,168
<b>Net (Income)/Expenditure</b>	<b>116,500</b>	<b>121,414</b>	<b>4,914</b>

**INDUSTRIAL ESTATES**

Direct Expenditure	233,532	403,657	170,125	Provision has been made for essential road maintenance works at Slyfield Industrial Estate amounting to £30,000 although liability for the final cost is still being established. Business rates payable for void units relating to Midleton Industrial Estate amount to £124,000.
Income	(3,256,620)	(3,274,562)	(17,942)	Overall income is forecast to be £18,000 higher than budgeted. Voids at Midleton Industrial Estate (with Lexicon House incurring significant void business rate liabilities) and Thornberry Way are covered by the new lease agreement for 23 Woodbridge Meadows since the budget was set and other lease extensions at improved terms.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(3,023,088)</b>	<b>(2,870,905)</b>	<b>152,183</b>	
Indirect Expenditure	160,260	169,607	9,347	
<b>Net (Income)/Expenditure</b>	<b>(2,862,828)</b>	<b>(2,701,298)</b>	<b>161,530</b>	

**INVESTMENT PROPERTY**

Direct Expenditure	229,720	219,966	(9,754)	
Income	(5,274,890)	(5,256,588)	18,302	Although there has been movement within the property portfolio, rental incomes overall are projected to be broadly on target.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(5,045,170)</b>	<b>(5,036,622)</b>	<b>8,548</b>	
Indirect Expenditure	166,750	188,380	21,630	Increased indirect expenditure is primarily consultants fees for advice in relation to lease arrangements.
<b>Net (Income)/Expenditure</b>	<b>(4,878,420)</b>	<b>(4,848,242)</b>	<b>30,178</b>	

**LICENSING SERVICES**

Direct Expenditure	271,240	288,595	17,355	Increase in salary costs resulting from the approval of a Licensing Officer's Post £20,000 offset by an anticipated increase in various licence fees £7,000.
Income	(179,350)	(186,848)	(7,498)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>91,890</b>	<b>101,747</b>	<b>9,857</b>	
Indirect Expenditure	91,510	91,614	104	
<b>Net (Income)/Expenditure</b>	<b>183,400</b>	<b>193,361</b>	<b>9,961</b>	

**COMMUNITY MEALS AND TPT**

Direct Expenditure	884,290	818,726	(65,564)	
				Savings resulting from vacancies in the Meals on Wheels and Community Meals Service, pending a wider restructuring of the service.
Income	(273,280)	(266,584)	6,696	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>611,010</b>	<b>552,142</b>	<b>(58,868)</b>	
Indirect Expenditure	104,160	104,184	24	
<b>Net (Income)/Expenditure</b>	<b>715,170</b>	<b>656,326</b>	<b>(58,844)</b>	

**OFFICE SERVICES TEAM**

Direct Expenditure	1,501,140	1,579,872	78,732	Additional expenditure relating to the provision of office equipment for SCC, £50,000 has been recovered in income. Property services works currently total £23,000 - the budget is held within Asset Development - this will be adjusted at year end
Income	(2,222,440)	(2,282,820)	(60,380)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(721,300)</b>	<b>(702,948)</b>	<b>18,352</b>	
Indirect Expenditure	683,970	683,819	(151)	
<b>Net (Income)/Expenditure</b>	<b>(37,330)</b>	<b>(19,129)</b>	<b>18,201</b>	

**HOUSING OUTSIDE THE HRA**

Direct Expenditure	3,720	9,294	5,574	
Income	(7,460)	(5,788)	1,672	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(3,740)</b>	<b>3,506</b>	<b>7,246</b>	
Indirect Expenditure	49,890	50,241	351	
<b>Net (Income)/Expenditure</b>	<b>46,150</b>	<b>53,747</b>	<b>7,597</b>	

**OTHER PROPERTY**

Direct Expenditure	294,010	322,179	28,169	
Income	(1,050,850)	(1,077,054)	(26,204)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(756,840)</b>	<b>(754,875)</b>	<b>1,965</b>	
Indirect Expenditure	418,890	432,524	13,634	
<b>Net (Income)/Expenditure</b>	<b>(337,950)</b>	<b>(322,351)</b>	<b>15,599</b>	

**PEST CONTROL**

Direct Expenditure	49,880	49,966	86	
Income	(55,000)	(55,000)	0	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(5,120)</b>	<b>(5,034)</b>	<b>86</b>	
Indirect Expenditure	6,000	6,012	12	
<b>Net (Income)/Expenditure</b>	<b>880</b>	<b>978</b>	<b>98</b>	



**PRIVATE SECTOR HOUSING**

Direct Expenditure	690,590	716,394	25,804
Income	(330,620)	(397,657)	(67,037)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>359,970</b>	<b>318,737</b>	<b>(41,233)</b>
Indirect Expenditure	115,910	115,966	56
<b>Net (Income)/Expenditure</b>	<b>475,880</b>	<b>434,703</b>	<b>(41,177)</b>

Increase in Payment to Contractors as a result of the new Houses in Multiple Occupation (HMO) requirements - this cost is covered by increased income £18,300. Additional 5yr HMO licence totalling £60,000.

**PROJECT ASPIRE**

Direct Expenditure	0	10,889	10,889
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>0</b>	<b>10,889</b>	<b>10,889</b>
<b>Net (Income)/Expenditure</b>	<b>0</b>	<b>10,889</b>	<b>10,889</b>

Project Aspire is funded from reserve.

**PUBLIC HEALTH**

Direct Expenditure	83,630	85,886	2,256
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>83,630</b>	<b>85,886</b>	<b>2,256</b>
Indirect Expenditure	6,680	6,700	20
<b>Net (Income)/Expenditure</b>	<b>90,310</b>	<b>92,586</b>	<b>2,276</b>

**COMMUNITY WELLBEING**

Direct Expenditure	281,420	278,577	(2,843)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>281,420</b>	<b>278,577</b>	<b>(2,843)</b>
Indirect Expenditure	49,930	49,942	12
<b>Net (Income)/Expenditure</b>	<b>331,350</b>	<b>328,519</b>	<b>(2,831)</b>

**TAXI LICENSING AND PRIVATE HIRE VEHICLES**

Direct Expenditure	177,084	167,722	(9,362)
Income	(167,350)	(131,799)	35,551
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>9,734</b>	<b>35,923</b>	<b>26,189</b>
Indirect Expenditure	67,420	68,692	1,272
<b>Net (Income)/Expenditure</b>	<b>77,154</b>	<b>104,615</b>	<b>27,461</b>

A carry forward to support works to Taxi Ranks is unlikely to be required in 2019-20.

Anticipated reduction in income due to drivers transferring to UBER £34,000

**WOKING ROAD DEPOT STORES**

Direct Expenditure	81,370	89,348	7,978
Income	(93,330)	(101,320)	(7,990)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(11,960)</b>	<b>(11,972)</b>	<b>(12)</b>
Indirect Expenditure	11,960	11,972	12
<b>Net (Income)/Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>

Environment Directorate	Revised Budget	Projected Outturn	Variance	Notes
<b>SERVICE SUMMARY</b>				
Direct Expenditure	30,060,419	30,534,160	473,741	
Income	(28,570,180)	(29,460,989)	(890,809)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>1,490,239</b>	<b>1,073,171</b>	<b>(632,402)</b>	
Indirect Expenditure	10,098,830	10,025,426	(73,404)	
<b>Net (Income)/Expenditure</b>	<b>11,589,069</b>	<b>11,098,597</b>	<b>(705,806)</b>	
<b>ABANDONED VEHICLES</b>				
Direct Expenditure	37,380	36,597	(783)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>37,380</b>	<b>36,597</b>	<b>(783)</b>	
Indirect Expenditure	4,240	4,252	12	
<b>Net (Income)/Expenditure</b>	<b>41,620</b>	<b>40,849</b>	<b>(771)</b>	
<b>BUSINESS FORUM</b>				
Direct Expenditure	71,510	83,704	12,194	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>71,510</b>	<b>83,704</b>	<b>12,194</b>	
Indirect Expenditure	1,570	1,578	8	
<b>Net (Income)/Expenditure</b>	<b>73,080</b>	<b>85,282</b>	<b>12,202</b>	
<b>CCTV SYSTEMS</b>				
Direct Expenditure	80,860	80,346	(514)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>80,860</b>	<b>80,346</b>	<b>(514)</b>	
Indirect Expenditure	20,330	24,579	4,249	
<b>Net (Income)/Expenditure</b>	<b>101,190</b>	<b>104,925</b>	<b>3,735</b>	
<b>CEMETERIES AND CLOSED CHURCHYARDS</b>				
Direct Expenditure	245,850	250,192	4,342	
Income	(60,430)	(71,078)	(10,648)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>185,420</b>	<b>179,114</b>	<b>(6,306)</b>	
Indirect Expenditure	68,540	60,558	(7,982)	
<b>Net (Income)/Expenditure</b>	<b>253,960</b>	<b>239,672</b>	<b>(14,288)</b>	
<b>CLINICAL WASTE</b>				
Direct Expenditure	2,460	3,189	729	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>2,460</b>	<b>3,189</b>	<b>729</b>	
Indirect Expenditure	290	294	4	
<b>Net (Income)/Expenditure</b>	<b>2,750</b>	<b>3,483</b>	<b>733</b>	

**CREMATORIUM**

Direct Expenditure	817,900	784,489	(33,411)	Salary savings total £33,000
Income	(1,014,360)	(1,306,464)	(292,104)	

It was anticipated that the redevelopment of the Crematorium would result in reduced revenue, with a Budget Pressures Reserve being utilised to manage this short term scenario. The level of disruption has been minimised and consequently it is not currently anticipated that the reserve will be required. The figures reflect this presentation.

<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(196,460)</b>	<b>(521,975)</b>	<b>(325,515)</b>	
Indirect Expenditure	397,740	397,398	(342)	
<b>Net (Income)/Expenditure</b>	<b>201,280</b>	<b>(124,577)</b>	<b>(325,857)</b>	

**ELECTRIC THEATRE**

Direct Expenditure	0	2,228	2,228	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>0</b>	<b>2,228</b>	<b>2,228</b>	
Indirect Expenditure	0	1,594	1,594	
<b>Net (Income)/Expenditure</b>	<b>0</b>	<b>3,822</b>	<b>3,822</b>	

**FLEET MANAGEMENT SERVICE**

Direct Expenditure	1,075,260	990,231	(85,029)	Savings associated with the insurance tender.
Income	(2,827,430)	(2,825,092)	2,338	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(1,752,170)</b>	<b>(1,834,861)</b>	<b>(82,691)</b>	
Indirect Expenditure	1,713,460	1,713,640	180	
<b>Net (Income)/Expenditure</b>	<b>(38,710)</b>	<b>(121,221)</b>	<b>(82,511)</b>	

**LEGAL SERVICES**

Direct Expenditure	1,154,520	1,278,901	124,381	Employee costs are forecast to be £21,000 lower than budget, with vacancies covered by temporary staff pending a restructuring of the department. External legal fees are forecast to be £152,000 higher than budget with revenue outsourced legal work forecast at £250,000 compared with £444,000 in 2018-19. Consequently income recharged to departments will be higher than budgeted.
Income	(1,354,450)	(1,548,356)	(193,906)	S106 work is delivering significant income and is forecast to be £45k higher than budget
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(199,930)</b>	<b>(269,455)</b>	<b>(69,525)</b>	
Indirect Expenditure	226,420	169,164	(57,256)	
<b>Net (Income)/Expenditure</b>	<b>26,490</b>	<b>(100,291)</b>	<b>(126,781)</b>	

**ENGINEERING AND TRANSPORT SERVICES**

Direct Expenditure	355,777	283,433	(72,344)	Salary savings due to vacant posts
Income	(398,170)	(364,599)	33,571	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(42,393)</b>	<b>(81,166)</b>	<b>(38,773)</b>	
Indirect Expenditure	45,060	45,080	20	
<b>Net (Income)/Expenditure</b>	<b>2,667</b>	<b>(36,086)</b>	<b>(38,753)</b>	

**GUILDFORD HOUSE**

Direct Expenditure	369,510	352,151	(17,359)
Income	(77,180)	(68,764)	8,416
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>292,330</b>	<b>283,387</b>	<b>(8,943)</b>
Indirect Expenditure	125,850	121,327	(4,523)
<b>Net (Income)/Expenditure</b>	<b>418,180</b>	<b>404,714</b>	<b>(13,466)</b>

**GUILDHALL**

Direct Expenditure	120,580	124,040	3,460
Income	(35,030)	(30,609)	4,421
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>85,550</b>	<b>93,431</b>	<b>7,881</b>
Indirect Expenditure	63,900	55,700	(8,200)
<b>Net (Income)/Expenditure</b>	<b>149,450</b>	<b>149,131</b>	<b>(319)</b>

**INFORMATION RIGHTS OFFICER**

Direct Expenditure	65,950	71,667	5,717
Income	(72,640)	(72,622)	18
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(6,690)</b>	<b>(955)</b>	<b>5,735</b>
Indirect Expenditure	7,590	7,598	8
<b>Net (Income)/Expenditure</b>	<b>900</b>	<b>6,643</b>	<b>5,743</b>

**LAND DRAINAGE**

Direct Expenditure	141,270	120,254	(21,016)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>141,270</b>	<b>120,254</b>	<b>(21,016)</b>
Indirect Expenditure	163,700	141,924	(21,776)
<b>Net (Income)/Expenditure</b>	<b>304,970</b>	<b>262,178</b>	<b>(42,792)</b>

There are projected savings in payments to contractors due to this being a demand led budget. The recharge from engineers will also be under budget.

**LEISURE ART DEVELOPMENT**

Direct Expenditure	104,120	143,125	39,005
Income	0	(40,140)	(40,140)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>104,120</b>	<b>102,985</b>	<b>(1,135)</b>
Indirect Expenditure	22,700	22,782	82
<b>Net (Income)/Expenditure</b>	<b>126,820</b>	<b>125,767</b>	<b>(1,053)</b>

Funding for "Whatever the Weather Project" £40,000 from Woking Borough Council with expenditure shown above.

**LEISURE COMMUNITY CENTRES**

Direct Expenditure	34,410	93,625	59,215	Property services works for Park Barn Youth club are currently £55,000, the budget is allocated within Asset Development and will be reallocated at year end to cover this expenditure.
Income	(11,270)	(11,145)	125	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>23,140</b>	<b>82,480</b>	<b>59,340</b>	
Indirect Expenditure	90,990	88,069	(2,921)	
<b>Net (Income)/Expenditure</b>	<b>114,130</b>	<b>170,549</b>	<b>56,419</b>	

**LEISURE G LIVE**

Direct Expenditure	415,490	427,208	11,718	The higher than budget management fee income reflects the improved performance of the contract.
Income	(44,110)	(73,850)	(29,740)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>371,380</b>	<b>353,358</b>	<b>(18,022)</b>	
Indirect Expenditure	1,167,430	1,163,631	(3,799)	
<b>Net (Income)/Expenditure</b>	<b>1,538,810</b>	<b>1,516,989</b>	<b>(21,821)</b>	

**LEISURE GRANTS**

Direct Expenditure	393,380	393,408	28
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>393,380</b>	<b>393,408</b>	<b>28</b>
Indirect Expenditure	2,900	2,908	8
<b>Net (Income)/Expenditure</b>	<b>396,280</b>	<b>396,316</b>	<b>36</b>

**LEISURE MANAGEMENT CONTRACT**

Direct Expenditure	1,444,820	1,450,732	5,912	Recovery of Combined Heat and Power (CHP) charges for Spectrum from Freedom Leisure £55,000.
Income	(2,118,190)	(2,185,111)	(66,921)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(673,370)</b>	<b>(734,379)</b>	<b>(61,009)</b>	
Indirect Expenditure	1,900,750	1,907,213	6,463	
<b>Net (Income)/Expenditure</b>	<b>1,227,380</b>	<b>1,172,834</b>	<b>(54,546)</b>	

**LEISURE PLAY DEVELOPMENT**

Direct Expenditure	222,850	214,759	(8,091)
Income	(39,000)	(46,000)	(7,000)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>183,850</b>	<b>168,759</b>	<b>(15,091)</b>
Indirect Expenditure	29,680	29,724	44
<b>Net (Income)/Expenditure</b>	<b>213,530</b>	<b>198,483</b>	<b>(15,047)</b>

**LEISURE RANGERS**

Direct Expenditure	231,010	227,403	(3,607)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>231,010</b>	<b>227,403</b>	<b>(3,607)</b>
Indirect Expenditure	10,930	10,942	12
<b>Net (Income)/Expenditure</b>	<b>241,940</b>	<b>238,345</b>	<b>(3,595)</b>

**LEISURE SPORT DEVELOPMENT**

Direct Expenditure	88,020	84,451	(3,569)
Income	(3,750)	(428)	3,322
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>84,270</b>	<b>84,023</b>	<b>(247)</b>
Indirect Expenditure	13,940	13,944	4
<b>Net (Income)/Expenditure</b>	<b>98,210</b>	<b>97,967</b>	<b>(243)</b>

**MARKETS**

Direct Expenditure	57,640	55,916	(1,724)
Income	(160,410)	(160,665)	(255)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(102,770)</b>	<b>(104,749)</b>	<b>(1,979)</b>
Indirect Expenditure	5,430	5,438	8
<b>Net (Income)/Expenditure</b>	<b>(97,340)</b>	<b>(99,311)</b>	<b>(1,971)</b>

**MOT BAY**

Direct Expenditure	127,010	122,821	(4,189)
Income	(164,070)	(152,348)	11,722
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(37,060)</b>	<b>(29,527)</b>	<b>7,533</b>
Indirect Expenditure	31,670	31,686	16
<b>Net (Income)/Expenditure</b>	<b>(5,390)</b>	<b>2,159</b>	<b>7,549</b>

**GUILDFORD MUSEUM**

Direct Expenditure	523,760	572,088	48,328	The expenditure relates to repairs currently being carried out jointly in the Museum and 48 Quarry St. The budget for this is currently held in the Corporate Property service and will be reallocated at year end to cover this expenditure.
Income	(59,460)	(53,467)	5,993	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>464,300</b>	<b>518,621</b>	<b>54,321</b>	
Indirect Expenditure	132,230	139,089	6,859	
<b>Net (Income)/Expenditure</b>	<b>596,530</b>	<b>657,710</b>	<b>61,180</b>	

**OFF STREET PARKING**

Direct Expenditure	4,026,540	4,413,883	387,343	It is projected that repair and maintenance expenditure funded from the Car Parks Maintenance Reserve will be £521,600. The reserve will also fund the Pay and Display installation and upgrade £66,800 and a half share of the cost of the parking study being £25,000, the other half being met from a Major Project budget. It is currently projected that meter income will be below budget for most car parks but in particular Bedford Rd, Castle and York Rd MSCPs.
Income	(11,008,440)	(10,670,528)	337,912	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(6,981,900)</b>	<b>(6,256,645)</b>	<b>725,255</b>	
Indirect Expenditure	1,473,750	1,474,396	646	
<b>Net (Income)/Expenditure</b>	<b>(5,508,150)</b>	<b>(4,782,249)</b>	<b>725,901</b>	

**ON STREET PARKING**

Direct Expenditure	1,361,700	1,329,466	(32,234)
Income	(1,942,930)	(1,841,091)	101,839

Meter income is projected to be under budget by £81,000 and penalty fees will also not achieve budget. The corresponding payment to SCC under the terms of our agency agreement with them is therefore reduced.

<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(581,230)</b>	<b>(511,625)</b>	<b>69,605</b>
Indirect Expenditure	148,710	148,762	52
<b>Net (Income)/Expenditure</b>	<b>(432,520)</b>	<b>(362,863)</b>	<b>69,657</b>

**ORDNANCE SURVEY AND MAPPING SERVICES**

Direct Expenditure	3,540	4,625	1,085
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>3,540</b>	<b>4,625</b>	<b>1,085</b>
Indirect Expenditure	4,530	5,041	511
<b>Net (Income)/Expenditure</b>	<b>8,070</b>	<b>9,666</b>	<b>1,596</b>

**PARKS AND COUNTRYSIDE**

Direct Expenditure	4,067,470	4,046,017	(21,453)
Income	(1,221,230)	(1,226,111)	(4,881)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>2,846,240</b>	<b>2,819,906</b>	<b>(26,334)</b>
Indirect Expenditure	864,630	877,167	12,537
<b>Net (Income)/Expenditure</b>	<b>3,710,870</b>	<b>3,697,073</b>	<b>(13,797)</b>

**PARK AND RIDE SERVICES**

Direct Expenditure	695,020	653,086	(41,934)
Income	(37,500)	(46,519)	(9,019)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>657,520</b>	<b>606,567</b>	<b>(50,953)</b>
Indirect Expenditure	115,650	114,254	(1,396)
<b>Net (Income)/Expenditure</b>	<b>773,170</b>	<b>720,821</b>	<b>(52,349)</b>

The existing security contract will come to an end at the beginning of September and GBC staff will then be responsible for locking and unlocking the premises. This will produce a saving in 2019-20 of £49,500.

**PROCUREMENT**

Direct Expenditure	96,810	207,924	111,114
Income	(122,510)	(122,526)	(16)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(25,700)</b>	<b>85,398</b>	<b>111,098</b>
Indirect Expenditure	25,700	25,704	4
<b>Net (Income)/Expenditure</b>	<b>0</b>	<b>111,102</b>	<b>111,102</b>

The additional costs relate to two temporary staff members - one is covering the vacant Procurement Assistant Post and the second has been agreed to undertake a number of short term procurement projects which will be funded from reserve.

**PUBLIC CONVENIENCES**

Direct Expenditure	208,760	342,875	134,115	There are planned works at Stoke Park Tennis Courts and Woodbridge Road. The budget for these works will be transferred from the corporate repair and maintenance budget prior to the end of the financial year.
Income	(12,050)	(12,050)	0	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>196,710</b>	<b>330,825</b>	<b>134,115</b>	
Indirect Expenditure	95,930	98,551	2,621	
<b>Net (Income)/Expenditure</b>	<b>292,640</b>	<b>429,376</b>	<b>136,736</b>	

**REFUSE AND RECYCLING**

Direct Expenditure	6,540,950	6,705,986	165,036	Agency costs will be less than in previous years as temporary staff move into vacant posts. Additional gate fee costs relating to the disposal of co-mingled recycle totalling £150,000 will be met from the recycling equalisation reserve (linked to presentation of income). October will see the end of gate fees and a transitional payment will be received to compensate on a per household basis. It is not currently assumed that the publicity and promotional budgets will be spent this year. Trade refuse disposal charges will be less than budgeted, but consequently trade refuse income is also reduced. Garden waste green bin sales are now expected to be under budget and less than in 2018-19.
Income	(3,552,440)	(3,390,981)	161,459	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>2,988,510</b>	<b>3,315,005</b>	<b>326,495</b>	
Indirect Expenditure	501,600	501,728	128	
<b>Net (Income)/Expenditure</b>	<b>3,490,110</b>	<b>3,816,733</b>	<b>326,623</b>	

**RIVER CONTROL**

Direct Expenditure	32,300	27,842	(4,458)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>32,300</b>	<b>27,842</b>	<b>(4,458)</b>
Indirect Expenditure	4,910	4,878	(32)
<b>Net (Income)/Expenditure</b>	<b>37,210</b>	<b>32,720</b>	<b>(4,490)</b>

**ROADS AND FOOTPATHS MAINTENANCE**

Direct Expenditure	37,400	36,924	(476)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>37,400</b>	<b>36,924</b>	<b>(476)</b>
Indirect Expenditure	72,110	76,678	4,568
<b>Net (Income)/Expenditure</b>	<b>109,510</b>	<b>113,602</b>	<b>4,092</b>

**SNOW AND ICE PLAN HOLDING ACCOUNT**

Direct Expenditure	52,340	51,978	(362)
Income	(55,140)	(55,140)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(2,800)</b>	<b>(3,162)</b>	<b>(362)</b>
Indirect Expenditure	1,230	902	(328)
<b>Net (Income)/Expenditure</b>	<b>(1,570)</b>	<b>(2,260)</b>	<b>(690)</b>



**SPA SITES**

Direct Expenditure	105,000	33,216	(71,784)
Income	(105,000)	(1,170,197)	(1,065,197)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>0</b>	<b>(1,136,981)</b>	<b>(1,136,981)</b>

The SPA income for the future development and maintenance of green spaces is currently projected to exceed budget by £1,136,981. These have increased on Period 2 monitoring as the Local Plan policies have now been approved. An element of this income will be used in the current year to fund revenue spending, the remainder will be transferred to the reserve at year-end.

<b>Net (Income)/Expenditure</b>	<b>0</b>	<b>(1,136,981)</b>	<b>(1,136,981)</b>
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**STREET CLEANSING**

Direct Expenditure	2,366,572	2,162,487	(204,085)
Income	(154,690)	(156,210)	(1,520)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>2,211,882</b>	<b>2,006,277</b>	<b>(205,605)</b>
Indirect Expenditure	173,970	174,002	32
<b>Net (Income)/Expenditure</b>	<b>2,385,852</b>	<b>2,180,279</b>	<b>(205,573)</b>

Vacancies resulting in salary savings.

**STREET FURNITURE**

Direct Expenditure	83,310	83,459	149
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>83,310</b>	<b>83,459</b>	<b>149</b>
Indirect Expenditure	24,780	23,207	(1,573)
<b>Net (Income)/Expenditure</b>	<b>108,090</b>	<b>106,666</b>	<b>(1,424)</b>

**TOURIST INFORMATION CENTRE**

Direct Expenditure	245,290	252,510	7,220
Income	(53,050)	(58,102)	(5,052)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>192,240</b>	<b>194,408</b>	<b>2,168</b>
Indirect Expenditure	50,690	50,702	12
<b>Net (Income)/Expenditure</b>	<b>242,930</b>	<b>245,110</b>	<b>2,180</b>

**BUSINESS AND TOURISM**

Direct Expenditure	501,250	472,006	(29,244)
Income	(162,660)	(122,955)	39,705
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>338,590</b>	<b>349,051</b>	<b>10,461</b>
Indirect Expenditure	106,070	105,960	(110)
<b>Net (Income)/Expenditure</b>	<b>444,660</b>	<b>455,011</b>	<b>10,351</b>

Overall the Service Unit is forecast to be broadly on budget. Income and Expenditure are both forecast to be below plan, due to the Guildford Science and Arts Festival not taking place in this year.

**TOWN CENTRE MANAGEMENT**

Direct Expenditure	101,920	100,982	(938)
Income	(272,380)	(112,000)	160,380

Income from Public Realm Enhancements has been delayed resulting in an adverse variance of £51,000. The decision has been made to move away from a WIFI concession, and in its place to run a mini competition for a larger scale WIFI joint venture. Planned sponsorship has taken longer to establish than initially anticipated and as a result will achieve £80,000 this financial year, £108,000 lower than the budgeted level.

<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(170,460)</b>	<b>(11,018)</b>	<b>159,442</b>
Indirect Expenditure	16,790	16,826	36
<b>Net (Income)/Expenditure</b>	<b>(153,670)</b>	<b>5,808</b>	<b>159,478</b>

**TRANSPORTATION**

Direct Expenditure	12,740	12,805	65
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>12,740</b>	<b>12,805</b>	<b>65</b>
Indirect Expenditure	7,910	6,661	(1,249)
<b>Net (Income)/Expenditure</b>	<b>20,650</b>	<b>19,466</b>	<b>(1,184)</b>

**VEHICLE MAINTENANCE WORKSHOP**

Direct Expenditure	760,900	791,220	30,320
Income	(807,560)	(836,763)	(29,203)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(46,660)</b>	<b>(45,543)</b>	<b>1,117</b>
Indirect Expenditure	49,110	49,126	16
<b>Net (Income)/Expenditure</b>	<b>2,450</b>	<b>3,583</b>	<b>1,133</b>

**THE VILLAGE**

Direct Expenditure	0	103	103
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>0</b>	<b>103</b>	<b>103</b>
<b>Net (Income)/Expenditure</b>	<b>0</b>	<b>103</b>	<b>103</b>

**WOKING ROAD DEPOT**

Direct Expenditure	491,190	473,654	(17,536)
Income	(534,770)	(541,186)	(6,416)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(43,580)</b>	<b>(67,532)</b>	<b>(23,952)</b>
Indirect Expenditure	102,730	100,075	(2,655)
<b>Net (Income)/Expenditure</b>	<b>59,150</b>	<b>32,543</b>	<b>(26,607)</b>

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

Direct Expenditure	88,080	84,154	(3,926)
Income	(87,880)	(87,892)	(12)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>200</b>	<b>(3,738)</b>	<b>(3,938)</b>
Indirect Expenditure	10,690	10,694	4
<b>Net (Income)/Expenditure</b>	<b>10,890</b>	<b>6,956</b>	<b>(3,934)</b>

**Finance Directorate**

**Revised Budget**

**Projected Outturn**

**Variance**

**Notes**

**SERVICE SUMMARY**

Direct Expenditure	41,911,613	39,652,526	(2,259,087)
Income	(37,635,390)	(36,014,547)	1,620,843
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>4,276,223</b>	<b>3,637,979</b>	<b>(638,244)</b>
Indirect Expenditure	2,361,100	2,364,132	3,032
<b>Net (Income)/Expenditure</b>	<b>6,637,323</b>	<b>6,002,111</b>	<b>(635,212)</b>

**ACCESS GROUP FOR GUILDFORD**

Direct Expenditure	2,440	3,026	586
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>2,440</b>	<b>3,026</b>	<b>586</b>
Indirect Expenditure	2,430	2,430	0
<b>Net (Income)/Expenditure</b>	<b>4,870</b>	<b>5,456</b>	<b>586</b>

**ACCOUNTANCY**

Direct Expenditure	754,560	720,035	(34,525)	Vacancies resulting in salary savings.
Income	(960,910)	(961,038)	(128)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(206,350)</b>	<b>(241,003)</b>	<b>(34,653)</b>	
Indirect Expenditure	107,520	107,556	36	
<b>Net (Income)/Expenditure</b>	<b>(98,830)</b>	<b>(133,447)</b>	<b>(34,617)</b>	

**BUSINESS RATES**

Direct Expenditure	206,800	209,489	2,689
Income	(261,850)	(264,677)	(2,827)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(55,050)</b>	<b>(55,188)</b>	<b>(138)</b>
Indirect Expenditure	39,850	39,874	24
<b>Net (Income)/Expenditure</b>	<b>(15,200)</b>	<b>(15,314)</b>	<b>(114)</b>

**CIVIC EXPENSES**

Direct Expenditure	213,993	244,850	30,857	The additional expenditure relates to support for borough events which are projected to exceed budget by £19,000. In addition salary costs are estimated to be £11k higher than the budget estimate.
Income	0	(62)	(62)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>213,993</b>	<b>244,788</b>	<b>30,795</b>	
Indirect Expenditure	30,330	30,350	20	
<b>Net (Income)/Expenditure</b>	<b>244,323</b>	<b>275,138</b>	<b>30,815</b>	

**COUNCIL AND COMMITTEE SUPPORT**

Direct Expenditure	212,150	208,284	(3,866)
Income	(39,150)	(39,000)	150
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>173,000</b>	<b>169,284</b>	<b>(3,716)</b>
Indirect Expenditure	255,270	255,382	112
<b>Net (Income)/Expenditure</b>	<b>428,270</b>	<b>424,666</b>	<b>(3,604)</b>

**CORPORATE FINANCIAL**

Direct Expenditure	204,230	255,851	51,621	Commission paid to Brokers will be higher than the budget due to the advisory fee on two high yielding investments.
Income	(150,000)	(150,000)	0	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>54,230</b>	<b>105,851</b>	<b>51,621</b>	
Indirect Expenditure	249,660	249,720	60	
<b>Net (Income)/Expenditure</b>	<b>303,890</b>	<b>355,571</b>	<b>51,681</b>	

**CORPORATE SERVICES**

Direct Expenditure	720,870	749,916	29,046	A compromise agreement included in the projection will be funded from reserves. It is not currently projected that the intern budget will not be fully spent.
Income	(119,570)	(127,484)	(7,914)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>601,300</b>	<b>622,432</b>	<b>21,132</b>	
Indirect Expenditure	412,860	415,300	2,440	
<b>Net (Income)/Expenditure</b>	<b>1,014,160</b>	<b>1,037,732</b>	<b>23,572</b>	

**COMMITTEE SERVICES**

Direct Expenditure	185,730	153,621	(32,109)	Expenditure savings are due to vacancies which will not be recruited this financial year.
Income	(221,340)	(221,368)	(28)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(35,610)</b>	<b>(67,747)</b>	<b>(32,137)</b>	
Indirect Expenditure	37,690	37,710	20	
<b>Net (Income)/Expenditure</b>	<b>2,080</b>	<b>(30,037)</b>	<b>(32,117)</b>	

**COUNCIL TAX**

Direct Expenditure	706,030	673,746	(32,284)	There are a large number of vacancies in the Council Tax collection team which in part are being covered by temporary staff. The overall net effect on staffing costs is a saving of £20,000. Council Tax court fees are forecast to be £10,000 lower than budget.
Income	(290,000)	(280,000)	10,000	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>416,030</b>	<b>393,746</b>	<b>(22,284)</b>	
Indirect Expenditure	135,680	135,708	28	
<b>Net (Income)/Expenditure</b>	<b>551,710</b>	<b>529,454</b>	<b>(22,256)</b>	

**DEMOCRATIC REPRESENTATION AND MANAGEMENT**

Direct Expenditure	686,580	684,251	(2,329)
Income	(107,800)	(107,800)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>578,780</b>	<b>576,451</b>	<b>(2,329)</b>
Indirect Expenditure	210,370	210,422	52
<b>Net (Income)/Expenditure</b>	<b>789,150</b>	<b>786,873</b>	<b>(2,277)</b>

**ELECTIONS**

Direct Expenditure	72,980	283,728	210,748	The cost of the May 2019 Guildford Borough Election will be funded from reserves. [An annual contribution is made to reserves to fund the cost of elections.]
Income	0	(11,568)	(11,568)	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>72,980</b>	<b>272,160</b>	<b>199,180</b>	
Indirect Expenditure	21,700	21,716	16	
<b>Net (Income)/Expenditure</b>	<b>94,680</b>	<b>293,876</b>	<b>199,196</b>	

**ELECTORAL REGISTRATION**

Direct Expenditure	270,030	255,234	(14,796)
Income	(22,630)	(20,053)	2,577
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>247,400</b>	<b>235,181</b>	<b>(12,219)</b>
Indirect Expenditure	34,120	34,136	16
<b>Net (Income)/Expenditure</b>	<b>281,520</b>	<b>269,317</b>	<b>(12,203)</b>

**FEASIBILITY STUDIES**

Direct Expenditure	40,000	40,000	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>40,000</b>	<b>40,000</b>	<b>0</b>
Indirect Expenditure	470	470	0
<b>Net (Income)/Expenditure</b>	<b>40,470</b>	<b>40,470</b>	<b>0</b>

**DEBTORS**

Direct Expenditure	165,800	169,505	3,705
Income	(209,800)	(209,828)	(28)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(44,000)</b>	<b>(40,323)</b>	<b>3,677</b>
Indirect Expenditure	44,620	44,636	16
<b>Net (Income)/Expenditure</b>	<b>620</b>	<b>4,313</b>	<b>3,693</b>

**HOUSING BENEFITS**

Direct Expenditure	31,178,280	29,852,539	(1,325,741)	The overall fluctuation in claimant numbers results in variations in expenditure and a corresponding reduction in costs recovered from DWP.
Income	(30,985,330)	(29,671,745)	1,313,585	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>192,950</b>	<b>180,794</b>	<b>(12,156)</b>	
Indirect Expenditure	206,140	206,176	36	
<b>Net (Income)/Expenditure</b>	<b>399,090</b>	<b>386,970</b>	<b>(12,120)</b>	

**INSURANCE REVENUE ACCOUNT**

Direct Expenditure	831,190	812,190	(19,000)
Income	(1,104,880)	(825,914)	278,966

Our insurance cover was re-tendered in the last quarter of 2018-19. The exercise generated savings of approximately £250,000 which were removed as a single line entry [late in the budget process] from the expenditure budget of the *Insurance Revenue Account*. The reduced recharged income reflects this change, with corresponding savings against the insurance budget in the service accounts.

<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(273,690)</b>	<b>(13,724)</b>	<b>259,966</b>
Indirect Expenditure	6,220	6,220	0
<b>Net (Income)/Expenditure</b>	<b>(267,470)</b>	<b>(7,504)</b>	<b>259,966</b>

**IT RENEWALS REVENUE ACCOUNT**

Income	(893,250)	(893,250)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(893,250)</b>	<b>(893,250)</b>	<b>0</b>
Indirect Expenditure	225,880	225,908	28
<b>Net (Income)/Expenditure</b>	<b>(667,370)</b>	<b>(667,342)</b>	<b>28</b>

**MANAGEMENT POLICY STRATEGY**

Direct Expenditure	277,360	282,381	5,021
Income	(303,800)	(303,840)	(40)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(26,440)</b>	<b>(21,459)</b>	<b>4,981</b>
Indirect Expenditure	23,690	23,706	16
<b>Net (Income)/Expenditure</b>	<b>(2,750)</b>	<b>2,247</b>	<b>4,997</b>

**MISCELLANEOUS ITEMS**

Direct Expenditure	898,940	751,737	(147,203)
Income	(10,360)	(8,372)	1,988
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>888,580</b>	<b>743,365</b>	<b>(145,215)</b>
Indirect Expenditure	450	450	0
<b>Net (Income)/Expenditure</b>	<b>889,030</b>	<b>743,815</b>	<b>(145,215)</b>

Saving reflects the current working assumption on the use of the corporate inflation budget.

**OPERATIONS TECHNICAL SERVICES**

Direct Expenditure	1,235,050	1,204,394	(30,656)
Income	(1,267,110)	(1,268,628)	(1,518)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(32,060)</b>	<b>(64,234)</b>	<b>(32,174)</b>
Indirect Expenditure	127,810	127,858	48
<b>Net (Income)/Expenditure</b>	<b>95,750</b>	<b>63,624</b>	<b>(32,126)</b>

Savings due to vacancies awaiting the outcome of Future Guildford.

**PARISH AND LOCAL LIAISON**

Direct Expenditure	187,450	187,662	212
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>187,450</b>	<b>187,662</b>	<b>212</b>
Indirect Expenditure	8,010	8,026	16
<b>Net (Income)/Expenditure</b>	<b>195,460</b>	<b>195,688</b>	<b>228</b>

**PAYMENTS AND PURCHASING**

Direct Expenditure	264,460	282,204	17,744
Income	(433,230)	(432,222)	1,008
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(168,770)</b>	<b>(150,018)</b>	<b>18,752</b>
Indirect Expenditure	99,850	99,878	28
<b>Net (Income)/Expenditure</b>	<b>(68,920)</b>	<b>(50,140)</b>	<b>18,780</b>

**PORTFOLIO MANAGEMENT**

Direct Expenditure	266,660	265,183	(1,477)
Income	(254,380)	(217,698)	36,682
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>12,280</b>	<b>47,485</b>	<b>35,205</b>
Indirect Expenditure	27,800	27,808	8
<b>Net (Income)/Expenditure</b>	<b>40,080</b>	<b>75,293</b>	<b>35,213</b>

No external income from street naming service is currently projected pending the finalisation of the scheme.

**NON DISTRIBUTED COSTS**

Direct Expenditure	2,074,790	1,099,307	(975,483)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>2,074,790</b>	<b>1,099,307</b>	<b>(975,483)</b>
Indirect Expenditure	25,510	25,514	4
<b>Net (Income)/Expenditure</b>	<b>2,100,300</b>	<b>1,124,821</b>	<b>(975,479)</b>

**WEBSITE**

Direct Expenditure	255,240	263,393	8,153
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>255,240</b>	<b>263,393</b>	<b>8,153</b>
Indirect Expenditure	27,170	27,178	8
<b>Net (Income)/Expenditure</b>	<b>282,410</b>	<b>290,571</b>	<b>8,161</b>

<b>Management</b>	<b>Revised Budget</b>	<b>Projected Outturn</b>	<b>Variance</b>	<b>Notes</b>
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<b>SERVICE SUMMARY</b>			
Direct Expenditure	2,270,597	2,803,152	532,555
Income	(1,792,240)	(1,797,241)	(5,001)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>478,357</b>	<b>1,005,911</b>	<b>527,554</b>
Indirect Expenditure	333,650	335,368	1,718
<b>Net (Income)/Expenditure</b>	<b>812,007</b>	<b>1,341,279</b>	<b>529,272</b>
<b>COMMUNITY DEVELOPMENT</b>			
Direct Expenditure	335,457	261,811	(73,646)
Income	(15,000)	(19,780)	(4,780)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>320,457</b>	<b>242,031</b>	<b>(78,426)</b>
Indirect Expenditure	43,170	43,194	24
<b>Net (Income)/Expenditure</b>	<b>363,627</b>	<b>285,225</b>	<b>(78,402)</b>
<b>CUSTOMER SERVICE CENTRE</b>			
Direct Expenditure	301,030	313,548	12,518
Income	(453,570)	(453,634)	(64)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(152,540)</b>	<b>(140,086)</b>	<b>12,454</b>
Indirect Expenditure	79,890	79,902	12
<b>Net (Income)/Expenditure</b>	<b>(72,650)</b>	<b>(60,184)</b>	<b>12,466</b>
<b>INTERNAL AUDIT</b>			
Direct Expenditure	117,090	116,294	(796)
Income	(149,610)	(149,610)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(32,520)</b>	<b>(33,316)</b>	<b>(796)</b>
Indirect Expenditure	7,150	7,162	12
<b>Net (Income)/Expenditure</b>	<b>(25,370)</b>	<b>(26,154)</b>	<b>(784)</b>
<b>BUSINESS IMPROVEMENT</b>			
Direct Expenditure	241,580	248,766	7,186
Income	(249,120)	(249,120)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(7,540)</b>	<b>(354)</b>	<b>7,186</b>
Indirect Expenditure	30,910	32,484	1,574
<b>Net (Income)/Expenditure</b>	<b>23,370</b>	<b>32,130</b>	<b>8,760</b>

Vacant posts are projected to generate salary savings of £50,000, the remainder of the underspend relates to carry forward of budget from 2018/19. The Safer Guildford Partnership is planning to carry forward £25,000 to enable continued funding of the Partnership taking account of the expanded role in 2020 in respect of knife crime, health and wellbeing and youth crime, with the upfront investment this will require.



**FUTURE GUILDFORD**

Direct Expenditure	0	578,132	578,132	Costs connected with the Future Guildford project are being funded from the invest to save reserve.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>0</b>	<b>578,132</b>	<b>578,132</b>	
<b>Net (Income)/Expenditure</b>	<b>0</b>	<b>578,132</b>	<b>578,132</b>	

**HR SERVICES**

Direct Expenditure	487,400	476,126	(11,274)
Income	(564,740)	(564,740)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(77,340)</b>	<b>(88,614)</b>	<b>(11,274)</b>
Indirect Expenditure	76,340	76,356	16
<b>Net (Income)/Expenditure</b>	<b>(1,000)</b>	<b>(12,258)</b>	<b>(11,258)</b>

**OTHER EMPLOYEE COSTS**

Direct Expenditure	304,940	317,281	12,341
Income	(218,230)	(218,383)	(153)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>86,710</b>	<b>98,898</b>	<b>12,188</b>
Indirect Expenditure	16,460	16,472	12
<b>Net (Income)/Expenditure</b>	<b>103,170</b>	<b>115,370</b>	<b>12,200</b>

**PAYROLL AND INSURANCE**

Direct Expenditure	116,140	123,975	7,835
Income	(137,470)	(137,474)	(4)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(21,330)</b>	<b>(13,499)</b>	<b>7,831</b>
Indirect Expenditure	21,830	21,862	32
<b>Net (Income)/Expenditure</b>	<b>500</b>	<b>8,363</b>	<b>7,863</b>

**PUBLIC RELATIONS AND MARKETING**

Direct Expenditure	366,960	367,219	259
Income	(4,500)	(4,500)	0
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>362,460</b>	<b>362,719</b>	<b>259</b>
Indirect Expenditure	57,900	57,936	36
<b>Net (Income)/Expenditure</b>	<b>420,360</b>	<b>420,655</b>	<b>295</b>

**Planning and Regeneration Directorate**

Revised Budget

Projected Outturn

Variance

Notes

**SERVICE SUMMARY**

Direct Expenditure	6,309,480	6,446,082	136,602
Income	(2,593,020)	(2,430,564)	162,456
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>3,716,460</b>	<b>4,015,518</b>	<b>299,058</b>
Indirect Expenditure	1,125,200	1,217,599	92,399
<b>Net (Income)/Expenditure</b>	<b>4,841,660</b>	<b>5,233,117</b>	<b>391,457</b>

**BUILDING CONTROL SUMMARY**

Direct Expenditure	795,634	894,738	99,104	Vacant post savings are being used to part-fund two agency surveyors, although there is an overall shortfall in funding from this arrangement of £33,000. Consultants costs will be higher than budget.
Income	(503,510)	(515,052)	(11,542)	Building Control fees are projected to be over budget at this stage by £12,000
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>292,124</b>	<b>379,686</b>	<b>87,562</b>	
Indirect Expenditure	120,270	120,290	20	
<b>Net (Income)/Expenditure</b>	<b>412,394</b>	<b>499,976</b>	<b>87,582</b>	

**CLIMATE CHANGE**

Direct Expenditure	120,010	143,238	23,228	The vacant post in the service is currently being covered by the use of casual staff.
Income	(201,630)	(174,646)	26,984	An adjustment to the CRC payment in relation to 2018-19 will be processed in this years accounts estimated at £27,000.
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(81,620)</b>	<b>(31,408)</b>	<b>50,212</b>	
Indirect Expenditure	49,010	49,042	32	
<b>Net (Income)/Expenditure</b>	<b>(32,610)</b>	<b>17,634</b>	<b>50,244</b>	

**DEVELOPMENT CONTROL**

Direct Expenditure	2,201,006	2,420,341	219,335	Salary, casual and agency budgets are projected to be £64,500 higher than budgeted. It is currently anticipated that planning fee income will be £203,900 lower than budgeted as income levels continue to fall with no major applications in the pipeline. The first Planning Performance Application has been received and is due to generate £50,500 in this financial year. Planning appeal expenses are projected to be £105,000 over budget although that may increase if pending offers are not accepted.
Income	(1,606,000)	(1,463,732)	142,268	
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>595,006</b>	<b>956,609</b>	<b>361,603</b>	
Indirect Expenditure	575,150	614,483	39,333	
<b>Net (Income)/Expenditure</b>	<b>1,170,156</b>	<b>1,571,092</b>	<b>400,936</b>	

**LOCAL LAND CHARGES**

Direct Expenditure	214,850	217,124	2,274
Income	(266,880)	(261,871)	5,009
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>(52,030)</b>	<b>(44,747)</b>	<b>7,283</b>
Indirect Expenditure	32,730	32,852	122
<b>Net (Income)/Expenditure</b>	<b>(19,300)</b>	<b>(11,895)</b>	<b>7,405</b>

**MAJOR PROJECTS**

Direct Expenditure	1,563,926	1,628,670	64,744	Employee related costs are expected to be £28,800 over the revenue budget which takes into account a capital allocation of £175,400. The allocation between revenue and capital will be revised at each monitoring period as the individual projects move from revenue to capital.
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<b>Total Directly Controllable (Income)/Expenditure</b>	<b>1,563,926</b>	<b>1,628,670</b>	<b>64,744</b>
Indirect Expenditure	145,360	145,412	52
<b>Net (Income)/Expenditure</b>	<b>1,709,286</b>	<b>1,774,082</b>	<b>64,796</b>

**POLICY**

Direct Expenditure	1,361,024	1,088,518	(272,506)
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There are salary savings resulting from vacancies, although agency and consultants have been retained in lieu of some posts. Referendum and consultants costs for Lovelace, Puttenham and Send neighbourhood plans will be £32,000 with government grants of £60,000 not due until 2020-21. Costs for the judicial review process are estimated at £53,300 at present. We do not now believe that CIL consultants costs will be spent in this financial year as the results of the judicial review will not be known until the spring. This also means that the Local Plan reserve is unlikely to be used before that time although this is subject to review. Planning policy software costs of £21,760 will be funded from the Policy reserve and we do not anticipate any further expenditure there. The Local Plan inspector's budget of £50,000 will not be required this year.

Income	(15,000)	(15,263)	(263)
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>1,346,024</b>	<b>1,073,255</b>	<b>(272,769)</b>
Indirect Expenditure	180,800	233,624	52,824
<b>Net (Income)/Expenditure</b>	<b>1,526,824</b>	<b>1,306,879</b>	<b>(219,945)</b>

**SLYFIELD AREA REGENERATION PROJECT (SARP)**

Direct Expenditure	53,030	53,453	423
<b>Total Directly Controllable (Income)/Expenditure</b>	<b>53,030</b>	<b>53,453</b>	<b>423</b>
Indirect Expenditure	21,880	21,896	16
<b>Net (Income)/Expenditure</b>	<b>74,910</b>	<b>75,349</b>	<b>439</b>

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2017-18 £ Actual	2018-19 £ Actual	Analysis Borough Housing Services	2019-20 £ Estimate	2019-20 £ Projection
613,565	738,104	Income Collection	682,940	688,829
948,978	1,036,217	Tenants Services	938,680	937,752
64,128	81,030	Tenant Participation	148,270	126,159
68,808	69,865	Garage Management	101,340	98,956
64,083	59,064	Elderly Persons Dwellings	66,740	67,011
524,075	584,036	Flats Communal Services	432,530	512,638
432,181	423,867	Environmental Works to Estates	482,000	427,153
5,523,575	5,676,678	Responsive & Planned Maintenance	5,357,668	5,638,459
120,028	121,665	SOCH & Equity Share Administration	141,950	133,569
<b>8,359,422</b>	<b>8,790,527</b>		<b>8,352,118</b>	<b>8,630,527</b>
		<b>Strategic Housing Services</b>		
360,623	419,543	Advice, Registers & Tenant Selection	360,450	344,408
210,368	217,026	Void Property Management & Lettings	210,010	190,456
9,142	9,700	Homelessness Hostels	5,120	5,120
142,418	155,194	Supported Housing Management	163,210	160,288
392,915	426,311	Strategic Support to the HRA	380,990	383,184
<b>1,115,468</b>	<b>1,227,774</b>		<b>1,119,780</b>	<b>1,083,456</b>
		<b>Community Services</b>		
911,190	938,878	Sheltered Housing	842,400	861,082
		<b>Other Items</b>		
5,528,728	5,638,889	Depreciation	5,528,730	5,528,730
(44,323)	(45,515)	Revaluation and other Capital items	0	0
165,468	163,276	Debt Management	160,590	160,590
280,328	343,578	Other Items	632,390	382,312
<b>16,316,281</b>	<b>17,057,407</b>	<b>Total Expenditure</b>	<b>16,636,008</b>	<b>16,646,697</b>
(32,247,174)	(31,991,396)	Income	(32,445,282)	(32,459,273)
<b>(15,930,894)</b>	<b>(14,933,989)</b>	<b>Net Cost of Services(per inc &amp; exp a/c)</b>	<b>(15,809,274)</b>	<b>(15,812,576)</b>
<b>264,207</b>	<b>258,720</b>	HRA share of CDC	<b>256,800</b>	<b>251,530</b>
<b>(15,666,687)</b>	<b>(14,675,269)</b>	<b>Net Cost of HRA Services</b>	<b>(15,552,474)</b>	<b>(15,561,046)</b>
(384,996)	(456,206)	Investment Income	(598,260)	(598,260)
5,004,072	5,159,240	Interest Payable	5,142,230	5,131,995
<b>(11,047,611)</b>	<b>(9,972,235)</b>	<b>Deficit for Year on HRA Services</b>	<b>(11,008,504)</b>	<b>(11,027,311)</b>
627,309	0	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
7,563,162	7,849,699	Contrib to/(Use of) New Build Reserve	8,433,504	8,452,311
309,017	(421,229)	Tfr (fr) to Pensions Reserve	0	0
640,110	0	Tfr (from)/to CAA re: Voluntary Revenue Provision	0	0
71,504	76,058	Tfr (from)/to CAA re: Revaluation	0	0
(627,309)	0	Tfr (from)/to CAA re: REFCUS	0	0
(27,181)	(30,543)	Tfr (from)/to CAA re: Intangible assets	0	0
(9,000)	(1,750)	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>

2017-18 £ Actual	2018-19 £ Actual	Analysis Borough Housing Services	2019-20 £ Estimate	2019-20 £ Projection
(29,579,133)	(29,236,342)	Rent Income - Dwellings	(29,736,103)	(29,723,733)
(207,228)	(208,349)	Rent Income - Rosebery Hsg Assoc	(209,980)	(209,980)
(199,874)	(206,530)	Rents - Shops, Buildings etc	(194,300)	(221,172)
(699,962)	(718,083)	Rents - Garages	(739,774)	(757,446)
<b>(30,686,197)</b>	<b>(30,369,304)</b>	<b>Total Rent Income</b>	<b>(30,880,157)</b>	<b>(30,912,331)</b>
(316,404)	(140,122)	Supporting People Grant	(105,000)	(123,100)
(937,611)	(1,023,033)	Service Charges	(1,007,580)	(1,018,830)
(21,432)	(9,144)	Legal Fees Recovered	(28,840)	(28,840)
(44,698)	(51,614)	Service Charges Recovered	(40,000)	(45,000)
(240,832)	(398,179)	Miscellaneous Income	(383,705)	(331,172)
<b>(32,247,174)</b>	<b>(31,991,396)</b>	<b>Total Income</b>	<b>(32,445,282)</b>	<b>(32,459,273)</b>

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GENERAL FUND CAPITAL PROGRAMME - ESTIMATED EXPENDITURE 2019-20 to 2024-25

Ref	Directorate/Service and Capital Scheme name	Approved gross estimate	Cumulative spend at 31-03-19	2019-20			Projected exp est by project officer	2020-21 Est for year	2021-22 Est for year	2022-23 Est for year	2023-24 Est for year	2024-25 Est for year	Future years est exp	Projected expenditure total	Grants / Contributions towards cost of scheme	Net cost of scheme
				Estimate approved by Council in February	Revised estimate	Expenditure at 30.07.19										
		(a)	(b)	(c)	(d)	(e)	(f)	(ii)	(iii)	(iv)	(v)	(v)	(g)	(b)+(g) = (h)	(i)	(h)-(i) = (j)
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
PL15(a)	Infrastructure works: Guildford Commons: Merrow	-	12	-	5	-	5	-	-	-	-	-	-	17	-	17
PL15(b)	Infrastructure works: Guildford Commons: Shalford	-	111	-	19	19	19	-	-	-	-	-	-	130	-	130
PL20(b)	Westnye Gardens play area	125	118	-	7	1	7	-	-	-	-	-	-	125	(1)	124
PL34	Stoke cemetery re-tarmac	47	-	47	47	-	-	47	-	-	-	-	47	47	-	47
PL35	Woodbridge rd sportsground replace fencing	250	195	-	55	25	55	-	-	-	-	-	-	250	-	250
PL36	Stoke Park Composting facility	105	-	105	105	-	-	-	-	-	-	-	-	-	-	-
PL42	Pre-sang costs	100	24	61	76	24	76	-	-	-	-	-	-	100	-	100
ED18	Museum and castle development	1,652	188	180	444	63	444	1,020	-	-	-	-	1,020	1,652	-	1,652
PL57	Parks and Countryside - repairs and renewal of paths,roads	165	94	-	71	1	71	-	-	-	-	-	-	165	-	165
PL24	Kings college astro turf	547	76	-	470	417	470	-	-	-	-	-	-	547	(427)	120
PL58	Shalford Common - regularising car parking/reduction of	121	-	60	60	22	-	121	-	-	-	-	121	121	-	121
<b>ENVIRONMENT TOTAL DIRECTORATE</b>		<b>14,973</b>	<b>9,889</b>	<b>1,620</b>	<b>3,103</b>	<b>987</b>	<b>2,837</b>	<b>1,209</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,209</b>	<b>13,935</b>	<b>(489)</b>	<b>13,446</b>
<b>FINANCE DIRECTORATE</b>																
FS1	Financial Services Capital contingency fund	annual	-	5,000	5,000	-	5,000	5,000	5,000	5,000	5,000	5,000	25,000	30,000	-	30,000
<b>RESOURCES DIRECTORATE TOTAL</b>		<b>0</b>	<b>0</b>	<b>5,000</b>	<b>5,000</b>	<b>0</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>25,000</b>	<b>30,000</b>	<b>0</b>	<b>30,000</b>
<b>DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS</b>																
<b>COMMUNITY DIRECTORATE</b>																
ED25	Guildford Park - new MSCP and infrastructure works	6,500	1,803	3,509	3,762	35	3,762	-	-	-	-	-	-	6,500	-	6,500
	Guildford Park - Housing for private sale		935			33										
	Investment in North Downs Housing (60%)	15,180	4,619	3,600	4,379	539	4,379	4,500	1,682	-	-	-	6,182	15,180	-	15,180
	Equity shares in Guildford Holdings Ltd (40%)	10,120	3,083	2,400	2,920	360	2,920	3,000	1,117	-	-	-	4,117	10,120	-	10,120
ED49	Middleton Ind Est Redevelopment	3,850	255	3,649	3,595	9	3,595	-	-	-	-	-	-	3,850	-	3,850
P12	Strategic property acquisitions	8,520	-	4,647	8,520	-	8,520	-	-	-	-	-	-	8,520	-	8,520
<b>ENVIRONMENT DIRECTORATE</b>																
P5	Walnut Bridge replacement	3,341	1,366	801	864	125	864	1,094	17	-	-	-	1,111	3,341	(1,825)	1,516
PL9	Rebuild Crematorium	11,732	4,472	7,372	7,260	1,532	7,260	-	-	-	-	-	-	11,732	-	11,732
PL25	Spectrum Combined Heat and Power (GF contr)	867	290	-	77	15	77	-	-	-	-	-	-	367	-	367
PL29	Woodbridge Rd sportsground	1,900	2,211	-	(311)	0	(0)	-	-	-	-	-	-	2,211	(496)	1,715
<b>PLANNING &amp; REGENERATION DIRECTORATE</b>																
ED32	Internal Estate Road - CLLR Phase 1	11,139	2,292	6,500	8,847	4,804	8,847	-	-	-	-	-	-	11,139	(1,000)	10,139
ED6	Slyfield Area Regeneration Project (SARP)	15,225	3,214	6,000	5,670	4,736	5,670	700	5,641	-	-	-	6,341	15,225	(135)	15,090
ED27	North Street Development / Guild Town Centre regeneration	977	741	-	236	4	0	236	-	-	-	-	236	977	(50)	927
P9c	Town Centre Gateway Regeneration	3,523	43	3,481	3,480	6	(0)	3,480	-	-	-	-	3,480	3,523	-	3,523
	SMC(West) Phase 1	3,850	250	1,383	1,935	64	1,935	1,665	-	-	-	-	1,665	3,850	(2,725)	1,125
P16	A331 hotspots	3,930	147	2,230	2,383	44	2,383	1,400	-	-	-	-	1,400	3,930	(1,965)	1,965
P14	Town Centre Approaches	1,033	-	1,033	1,033	1	1,033	-	-	-	-	-	-	1,033	(700)	333
P20	Bedford Wharf Landscaping	150	1	150	149	1	-	149	-	-	-	-	149	150	-	150
P22	Ash Bridge Land acquisition	120	2	-	118	-	118	-	-	-	-	-	-	120	-	120
P21	Ash Road Bridge	3,460	646	3,460	2,814	299	2,814	-	-	-	-	-	-	3,460	(3,460)	-
<b>DEVELOPMENT/INCOME GENERATING/COST REDUCTION</b>		<b>105,417</b>	<b>26,370</b>	<b>50,215</b>	<b>57,731</b>	<b>12,608</b>	<b>54,177</b>	<b>16,224</b>	<b>8,457</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24,681</b>	<b>105,228</b>	<b>(12,357)</b>	<b>92,871</b>
<b>APPROVED SCHEMES TOTAL</b>		<b>126,944</b>	<b>39,694</b>	<b>60,334</b>	<b>69,787</b>	<b>13,823</b>	<b>65,967</b>	<b>23,433</b>	<b>14,282</b>	<b>5,825</b>	<b>5,825</b>	<b>5,825</b>	<b>55,190</b>	<b>160,655</b>	<b>(13,566)</b>	<b>147,089</b>





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**GENERAL FUND CAPITAL PROGRAMME - S106 ESTIMATED EXPENDITURE 2019-20 to 2024-25**

Ref	Service Units / Capital Schemes	Approved gross estimate	Cumulative spend at 31-03-19	2019-20				2020-21 Est for year	2021-22 Est for year	2022-23 Est for year	2023-24 Est for year	2024-25 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 30.07.19	Projected exp est by project officer										
	<b>APPROVED SCHEMES (fully funded from S106 contributions)</b>																
	<b>ENVIRONMENT DIRECTORATE</b>																
	<b>Operational Services</b>																
S-OP3	Hayden Place CCTV - P92310	35	12		23	-	23						35	(35)			
	<b>Parks and Leisure</b>																
S-PL8	Baird Drive/Briars Playground Refurb	10	8	-	2	0	2	-	-	-	-	-	10	(10)	-	-	
S-PL36	Gunpowder mills - signage, access and woodland imp	36	17	-	19	-	19	-	-	-	-	-	36	(36)	-	-	
S-PL38	Chantry Wood Campsite	36		36	36	-	36	-	-	-	-	-	36	(36)	-	-	
S-PL47	Fir Tree Garden	28	-	-	28	-	28	-	-	-	-	-	28	(28)	-	-	
S-PL54	Shalford Swift Tower (Art)	7			7	-	7						7	(7)	-	-	
S-PL55	Provision Play Area Tongham Recreation ground	36			36	36	36						36	(36)	-	-	
	<b>ENVIRONMENT DIRECTORATE TOTAL</b>	<b>187</b>	<b>37</b>	<b>36</b>	<b>150</b>	<b>36</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>153</b>	<b>(153)</b>	<b>-</b>	<b>-</b>	
	<b>APPROVED S106 SCHEMES TOTAL</b>	<b>187</b>	<b>37</b>	<b>36</b>	<b>150</b>	<b>36</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>887</b>	<b>(887)</b>	<b>-</b>	<b>-</b>	

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GENERAL FUND CAPITAL SCHEMES - PROJECTS FUNDED VIA RESERVES: ESTIMATED EXPENDITURE

Item No.	Projects & Sources of Funding	Approved gross estimate	Cumulative spend at 31-03-19	2019-20		Expenditure at 30.07.19	Projected exp est by project officer	2020-21 Est for year	2021-22 Est for year	2022-23 Est for year	2023-24 Est for year	2024-25 Est for year	Future years est exp	Projected expenditure total
		(a) £000	(b) £000	Estimate approved by Council in February (c) £000	Revised estimate (d) £000									
	<b>COMMUNITY DIRECTORATE</b>													
	<b>ENERGY PROJECTS per SALIX RESERVE:(PR220)</b>													
R-EN10	LED Lighting replacement	80	49	193	193	-	193	-	-	-	-	-	-	242
R-EN11	WRD energy reduction	70	-	70	70	-	70	-	-	-	-	-	-	70
	<b>ENERGY PROJECTS per GBC INVEST TO SAVE RESERVE:</b>													
	GBC 'Invest to Save' energy projects (to be repaid in line			-	164	-	164	-	-	-	-	-	-	164
R-EN12	PV/energy efficiency projects	100	2	-	98	-	98	-	-	-	-	-	-	100
R-EN13	Park Barn Day Centre - air source heat pump COMPLETE	143	100	-	-	10	-	-	-	-	-	-	-	221
R-EN14	SMP - air source heat pump	28	-	-	28	1	28	-	-	-	-	-	-	28
	<b>ENERGY RESERVES TOTAL</b>	<b>421</b>	<b>151</b>	<b>263</b>	<b>553</b>	<b>10</b>	<b>553</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>826</b>
Page 81	<b>BUDGET PRESSURES RESERVE</b>													
	Future Guildford implementation team	2,600		1,000	1,000	-	1,000	1,600	-	-	-	-	1,600	2,600
	<b>BUDGET PRESSURES RESERVE TOTAL</b>	<b>2,600</b>	<b>-</b>	<b>1,000</b>	<b>1,000</b>	<b>-</b>	<b>1,000</b>	<b>1,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,600</b>	<b>2,600</b>
	<b>FINANCE DIRECTORATE</b>													
	<b>INFORMATION TECHNOLOGY - IT Renewals Reserve (PR265) : approved annually</b>													
	Hardware / software budget		-	527	1,639	-	1,639	500	500	500	-	-	1,500	3,139
R-IT1	Hardware	annual	annual	-	-	41	-	-	-	-	-	-	-	-
R-IT2	Software	annual	annual	-	-	-	-	-	-	-	-	-	-	-
	PAD					37								
	ICT infrastructure improvements	1,250	1,345	-	-	85	-	-	-	-	-	-	-	1,345
R-IT3	IDOX Acolaid to Uniform	275		275	275		275		-	-	-	-	-	275
R-IT4	LCTS alternative	56		6	6		6	50		-	-	-	50	56
R-IT5	Future Guildford ICT	1,200		1,200	1,200		1,200		-	-	-	-	-	1,200
	<b>IT RENEWALS RESERVE TOTAL</b>	<b>2,781</b>	<b>1,345</b>	<b>2,008</b>	<b>3,120</b>	<b>163</b>	<b>3,120</b>	<b>550</b>	<b>500</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>1,550</b>	<b>6,013</b>
	<b>ENVIRONMENT DIRECTORATE</b>													
	<b>SPECTRUM RESERVE</b>													
R-S14	Spectrum schemes (to be agreed with Freedom Leisure)	700	168	450	532	-	532	-	-	-	-	-	-	700
	<b>SPECTRUM RESERVE TOTAL</b>	<b>700</b>	<b>168</b>	<b>450</b>	<b>532</b>	<b>-</b>	<b>532</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>700</b>
	<b>CAR PARKS RESERVE</b>													
R-CP1	Car parks - install/replace pay-on-foot equipment	1,170	240	860	930	-	930	-	-	-	-	-	-	1,170
	Car Parks - Lighting & Electrical improvements:													
R-CP13	- Castle, Farnham & York Rd Lighting	300	-	-	300	-	-	-	-	-	-	-	-	-
R-CP8	- Castle car park (PR000299) deck surfacing	325	144	175	181	102	181	-	-	-	-	-	-	325
R-CP18	- Deck Millbrook car park	2,000	-	1,000	1,000	-	-	1,000	1,000	-	-	-	2,000	2,000
R-CP14	Lift replacement (PR000293)	841	209	187	445	-	445	187	-	-	-	-	187	841

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GENERAL FUND CAPITAL SCHEMES - PROJECTS FUNDED VIA RESERVES: ESTIMATED EXPENDITURE

Item No.	Projects & Sources of Funding	Approved gross estimate	Cumulative spend at 31-03-19	2019-20 Estimate approved by Council in February	Revised estimate	Expenditure at 30.07.19	Projected exp est by project officer	2020-21 Est for year	2021-22 Est for year	2022-23 Est for year	2023-24 Est for year	2024-25 Est for year	Future years est exp	Projected expenditure total
		(a) £000	(b) £000	(c) £000	(d) £000	(e) £000	(f) £000	(i) £000	(ii) £000	(iii) £000	(iv) £000	(v) £000	(g) £000	(b)+(g) = (h) £000
R-CP16	Bright Hill Barrier essential works (PR000425)	80	2	-	78	-	(0)	-	-	-	-	-	-	2
R-CP17	Leapale rd MSCP drainage (PR000433)	90	26	-	64	-	64	-	-	-	-	-	-	90
R-CP19	Structural works to MSCP	300	-	233	300	1	300	-	-	-	-	-	-	300
R-CP20	MSCP- Deck surface replacement & barriers	652	-	593	652	3	652	-	-	-	-	-	-	652
	<b>CAR PARKS RESERVE TOTAL</b>	<b>5,758</b>	<b>622</b>	<b>3,048</b>	<b>3,949</b>	<b>106</b>	<b>2,571</b>	<b>1,187</b>	<b>1,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,187</b>	<b>5,386</b>
	<b>SPA RESERVE :</b>													
	SPA schemes (various)	100	annual	-	151	-	151	-	-	-	-	-	-	151
R-SPA1	Chantry Woods					-	-							
R-SPA2	Effingham					-	-							
R-SPA3	Lakeside					-	-							
R-SPA4	Riverside					-	-							
R-SPA5	Parsonage					-	-							
	<b>SPA RESERVE TOTAL</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>151</b>	<b>-</b>	<b>151</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>151</b>
	<b>GRAND TOTALS</b>	<b>12,360</b>	<b>2,286</b>	<b>6,769</b>	<b>9,305</b>	<b>279</b>	<b>7,927</b>	<b>3,337</b>	<b>1,500</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>5,337</b>	<b>15,672</b>

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

### 1.0 AVAILABILITY OF RESOURCES - NOTES :

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

1.2 The actuals for 2018-19 have been audited.

### 1.3 Funding assumptions:

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

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

### 2.0 Capital receipts - Balances (T01001)

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

	2018-19 Actuals £000	2019-20 Budget £000	2019-20 Est Outturn £000	2020-21 Estimate £000	2021-22 Estimate £000	2022-23 Estimate £000	2023-24 Estimate £000	2024-25 Estimate £000
Balance as at 1 April	0	0	40	0	0	0	0	44,122
Add estimated usable receipts in year	3,039	0	1,811	0	4,000	11,200	55,067	57,093
Less applied re funding of capital schemes	(3,000)	0	(1,851)	0	(4,000)	(11,200)	(10,945)	(5,825)
<b>Balance after funding capital expenditure as at 31 March</b>	<b>40</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,122</b>	<b>95,390</b>

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

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

### 3.0 Capital expenditure and funding - summary

#### Estimated capital expenditure

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

#### Total estimated capital expenditure

#### To be funded by:

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

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

#### Total funding required

	2018-19 Actuals £000	2019-20 Budget £000	2019-20 Est Outturn £000	2020-21 Estimate £000	2021-22 Estimate £000	2022-23 Estimate £000	2023-24 Estimate £000	2024-25 Estimate £000
	35,234	60,334	65,967	23,433	14,282	5,825	5,825	5,825
	15	19,646	8,485	96,354	64,792	80,173	5,120	0
	51	36	150	0	0	0	0	0
	2,371	6,769	7,927	3,337	1,500	500	0	0
	0	0	0	0	0	0	0	0
<b>Total estimated capital expenditure</b>	<b>37,671</b>	<b>86,785</b>	<b>82,529</b>	<b>123,124</b>	<b>80,574</b>	<b>86,498</b>	<b>10,945</b>	<b>5,825</b>
<b>To be funded by:</b>								
Capital receipts ( <i>per 2.above</i> )	(6,176)	0	(1,851)	0	(4,000)	(11,200)	(10,945)	(5,825)
Contributions	(1,673)	(19,681)	(18,167)	(6,105)	(5,500)	(5,500)	0	0
<u>R.C.C.O.:</u>								
Other reserves	(2,558)	(13,749)	(15,576)	(3,557)	(1,720)	(720)	0	0
	0	0	0	0	0	0	0	0
	(10,406)	(33,430)	(35,595)	(9,662)	(11,220)	(17,420)	(10,945)	(5,825)
Balance of funding to be met from (i) the Capital Reserve, and (ii) borrowing	(27,265)	(53,355)	(46,935)	(113,462)	(69,354)	(69,078)	0	0
<b>Total funding required</b>	<b>(37,671)</b>	<b>(86,785)</b>	<b>(82,529)</b>	<b>(123,124)</b>	<b>(80,574)</b>	<b>(86,498)</b>	<b>(10,945)</b>	<b>(5,825)</b>

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### 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

	2018-19 Actuals £000	2019-20 Budget £000	2019-20 Est Outturn £000	2020-21 Estimate £000	2021-22 Estimate £000	2022-23 Estimate £000	2023-24 Estimate £000	2024-25 Estimate £000
Balance as at 1 April	1,641	0	894	0	0	0	0	0
Add: General Fund Revenue Budget variations	0	0	0	0	0	0	0	0
Contribution from revenue	894	0	0	0	0	0	0	0
	2,535	0	894	0	0	0	0	0
Less: Applied re funding of capital programme	(1,641)	0	(894)	0	0	0	0	0
<b>Balance after funding capital expenditure etc.as at 31 March</b>	<b>894</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

	25,624	53,355	46,041	113,462	69,354	69,078	0	0
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Appendix 8



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

2018-19 Actuals £000	2019-20 Budget £000	2019-20 Est Outturn £000	2020-21 Estimate £000	2021-22 Estimate £000	2022-23 Estimate £000	2023-24 Estimate £000	2024-25 Estimate £000
<b>5.0 Housing capital receipts (pre 2013-14) - estimated availability/usage for Housing, Affordable Housing and Regeneration projects - GBC policy</b>							
Balance as at 1 April (T01008)	12,760	6,760	9,559	0	0	0	0
Add: Estimated receipts in year	0	0	0	0	0	0	0
Less: Applied re Housing (General Fund) capital programme	0	0	0	0	0	0	0
Less: Applied re Housing company	(3,201)	(6,760)	(7,500)	0	0	0	0
	9,559	0	2,059	0	0	0	0
Less: Applied on regeneration schemes	0	0	0	0	0	0	0
<b>Housing receipts - estimated balance in hand at year end</b>	<b>9,559</b>	<b>0</b>	<b>2,059</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

2018-19 Actuals £000	2019-20 Budget £000	2019-20 Est Outturn £000	2020-21 Estimate £000	2021-22 Estimate £000	2022-23 Estimate £000	2023-24 Estimate £000	2024-25 Estimate £000
<b>5.1 Housing capital receipts (post 2013-14) - estimated availability/usage for Housing, Affordable Housing and Regeneration projects only (statutory (impact CFR))</b>							
Balance as at 1 April (T01012)	422	0	0	0	0	0	0
Add: Estimated receipts in year	898	289	286	289	292	295	301
Less: Applied re Housing (General Fund) capital programme	(14)	(220)	(220)	(220)	(220)	(220)	(220)
Less: Applied re Housing Improvement programme	(1,306)	(69)	(66)	(69)	(72)	(75)	(81)
	0	0	0	0	0	0	0
Less: Applied on regeneration schemes	0	0	0	0	0	0	0
<b>Housing receipts - estimated balance in hand</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	2018-19	2019-20	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total £'000s
<b>6.1 Estimated annual borrowing requirement</b>	<b>25,624</b>	<b>53,355</b>	<b>46,041</b>	<b>113,462</b>	<b>69,354</b>	<b>69,078</b>	<b>0</b>	<b>0</b>	<b>297,935</b>
Bids for funding (net)		0	0	0	0	0	0	0	
<b>Total estimated borrowing requirement if all bids on Appendix 1 approved</b>		<b>53,355</b>	<b>46,041</b>	<b>113,462</b>	<b>69,354</b>	<b>69,078</b>	<b>0</b>	<b>0</b>	<b>297,935</b>

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GUILDFORD B.C. - HOUSING INVESTMENT PROGRAMME 2019-20 to 2024-25: HRA APPROVED PROGRAMME

	Project Budget £000	2018-19 Actual £000	Project Spend at 31-03-19 £000	2019-20 Estimate £000	Carry Forward	Expenditure as at 30.07.2019 £000	2019-20 Projected Outturn £000	2020-21 Estimate £000	2021-22 Estimate £000	2022-23 Estimate £000	2023-24 Estimate £000	2024-25 Estimate £000	Total Project Exp £000
<b>Acquisition of Land &amp; Buildings</b>	10,700	519	920	0	2,581	325	2,581	1,800	1,800	1,800	1,800	0	10,700
<b>New Build</b>													
Guildford Park	75	0	75	0	0	33	0	0	0	0	0	0	75
Appletree pub site	3,200	2,209	2,764	338	98	529	436	0	0	0	0	0	3,200
Slyfield Green (Corporation Club)	2,448	0	2,376	0	72	61	72	0	0	0	0	0	2,448
Willow Way	1,000	179	952	0	48	1	48	0	0	0	0	0	1,000
Garage sites-	2,500		0	0	189			0	0	0	0	0	0
Pond Meadow		62	562	0		0	38						600
Rowan Close		4	549	0		0	51						600
Great Goodwin Drive		431	945	0		2	55						1,000
The Homestead	500	327	756	0	0	1	44	0	0	0	0	0	800
Fire Station/Ladymead	2,000	643	643	1,196	136	486	1,332	25	0	0	0	0	2,000
Bright Hill	500	0	0	0	500	0	500	0	0	0	0	0	500
Various small sites & feasibility/Site preparation	1,000		0	0		0	0	0	0	0	0	1,000	1,000
Pipeline projects	9,425			575			575	1,825	3,325	1,825	1,875	0	9,425
Redevelopment bid 13	533			533			533						533
Redevelopment bid 14	300			300			300						300
<b>Schemes to promote Home-Ownership</b>													
Equity Share Re-purchases	annual	143	annual	400		0	400	400	400	400	400	400	annual
<b>Major Repairs &amp; Improvements</b>													
Retentions & minor carry forwards	annual	0	annual	40		0	40						annual
Modern Homes - Kitchens, Bathrooms & Void refurb	annual	1,253	annual	1,050		522	1,050						annual
Doors and Windows	annual	256	annual	525	0	1	525						annual
Structural	annual	545	annual	400	300	34	700						annual
Energy efficiency: Central heating/Lighting	annual	1,101	annual	1,530		131	1,530						annual
General	annual	1,210	annual	1,605	776	441	2,381						annual
<b>Grants</b>													
Cash Incentive Scheme	annual	0	annual	75		0	75						annual
<b>TOTAL APPROVED SCHEMES</b>	<b>34,181</b>	<b>8,883</b>	<b>10,540</b>	<b>8,567</b>	<b>4,700</b>	<b>2,567</b>	<b>13,266</b>	<b>4,050</b>	<b>5,525</b>	<b>4,025</b>	<b>4,075</b>	<b>1,400</b>	<b>34,180</b>

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**GUILDFORD B.C. - HOUSING INVESTMENT PROGRAMME 2019-20 to 2023-24: HRA PROVISIONAL PROGRAMME**

	Project Budget £000	2018-19 Actual £000	Project Spend at 31-03-19 £000	2019-20 Estimate £000	Carry Forward	2019-20 Projected Outturn £000	2020-21 Estimate £000	2021-22 Estimate £000	2022-23 Estimate £000	2023-24 Estimate £000	2024-25 Estimate £000	Total Project Exp £000
<b>Acquisition of Land &amp; Buildings</b>	10,000	0	0	0		0	0	3,000	3,000	4,000	0	10,000
<b>New Build</b>												
Guildford Park	16,000	341	907	406	700	1,106	6,760	7,201	26	0	0	16,000
Bright Hill	3,000	0	0	0	0	0	1,500	1,500	0	0	0	3,000
Slyfield (25/26 £5m; 26/27 £44m)	1,000	0	0	0	0	0	0	0	1,000	0	0	1,000
Redevelopment bid 13	10,124						3,197	5,861	1,066	0	0	10,124
Redevelopment bid 14	3,000						1,000	1,500	500	0	0	3,000
<b>Major Repairs &amp; Improvements</b>												
Major Repairs & Improvements	annual		annual	0		0	5,500	5,500	5,500	5,500	5,500	annual
Retentions & minor carry forwards	annual		annual									annual
Modern Homes: Kitchens and bathrooms	annual		annual									annual
Doors and Windows	annual		annual									annual
Structural	annual		annual									annual
Energy efficiency: Central heating	annual		annual									annual
General	annual		annual									annual
<b>Grants</b>												
Cash Incentive Scheme	annual		annual	0		0	75	75	75	75	75	annual
<b>Total Expenditure to be financed</b>	<b>43,124</b>	<b>341</b>	<b>907</b>	<b>406</b>	<b>700</b>	<b>1,106</b>	<b>18,032</b>	<b>24,637</b>	<b>11,167</b>	<b>9,575</b>	<b>5,575</b>	<b>43,124</b>

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Corporate Governance and Standards Committee Report

Ward(s) affected: not applicable

Report of Director of Environment

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Date: 19 September 2019

## Freedom of Information and Subject Access Compliance Update

### Executive Summary

This is a regular report to monitor the Council's performance in dealing with Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests.

In 2019, as of 30 June there have been:

- 396 Freedom of Information/Environmental Information requests, of which
- 378 were dealt with under the Freedom of Information Act 2000 (FOI)
- 18 were dealt with under the Environmental Information Regulations 2004 (EIRs)

The Council's performance rate for delivery of FOIs/EIRs currently stands at 93.5%. The Key Performance Indicator (KPI) of 90% set by the Corporate Management Team has therefore been exceeded.

92% was the figure for this time last year.

### Recommendation to Committee

That the Corporate Governance and Standards Committee notes the officer actions and continues to receive six monthly updates.

#### Reason for Recommendation:

To ensure the Council continues to meet and, wherever possible, to exceed the 90% compliance target.

### 1. Purpose of Report

- 1.1 The Corporate Governance and Standards Committee has requested this report to ensure the Council maintains or improves on its target response timescales for FOI and EIR requests.

- 1.2 Appendix 1 contains the performance figures for each service area and a total for the Council, including volume of FOI/EIR requests received and the percentage responded to on time.

## 2. Strategic Framework

- 2.1 Promoting openness and transparency in Council policy and decision-making is essential to promote public confidence within the Borough in order to improve prosperity and well-being as outlined in the Strategic Framework – i.e. the Council “will be open and accountable”.

## 3. Background

- 3.1 The Council is required to respond to FOI and EIR requests within 20 working days – subject to certain exceptions as long as the requester is kept informed – for example extra time can be taken to consider the Public Interest Test (PIT).
- 3.2 The performance figures for 2019 (as at 30 June 2019) are included in **Appendix 1**.

### Update on progress in 2019

- 3.3 As at 30 June 2019, the Council had received 396 FOI/EIR requests during the current calendar year. By comparison, 420 requests were received at this stage during 2018.
- 3.4 As at 30 June 2019, 361 requests had been closed, with 35 requests still currently open. The open requests have not been included in these figures.
- 3.5 The Council’s performance time currently stands at 93.5% of requests being closed within the statutory time frame – an improvement of 1.5% on last year’s 92% figure – and in fact the highest rating since records began.

## 4 Requests received by Directorate, January – June 2019 (up to 30 June)

- 4.1 Finance received the most requests with a total of 109 (30% of the total requests received). The best performing directorate was Planning with 100% of requests being answered within the 20 working day time scale.

**Fig 1 – Table of Requests received by directorate and percentage answered in time (01/01/19 – 30/06/19)**

Directorate	Number of requests received	Requests answered in time	Percentage answered in time
Environment	77	66	85.5%
Finance	109	105	96%
Management Team	28	26	93%
Community	97	91	94%
Planning & Regeneration	50	50	100%
<b>TOTAL</b>	<b>361</b>	<b>338</b>	<b>93.5%</b>



## **5. Requests received by service area**

- 5.1 Out of 30 service areas which received FOI/EIR requests during the period covered, 18 have responded to 100% of requests in time – i.e. a commendable 60% of service areas have a 100% FOI compliance rate.
- 5.3 Of the service areas Planning and Business Rates received the most requests – with 48 and 41 each respectively. Both areas also scored an impressive 100% compliance rate.

## **6. Exemptions**

- 6.1 The most frequently used exemption under the Freedom of Information Act was section 21 (which applies when the requested information is available by other means), which was used on 37 occasions to date this calendar year. Most of these requests were for information already published on the Council's website. It is expected that this exemption will be applied more often in future, as the Council's internal disclosure log is now live at the following link - <https://quildford.disclosurelog.co.uk/> - and contains transcripts of over 200 FOI/EIR responses.
- 6.2 The next most commonly applied exemption was section 31 (when the requested information consists partially or completely of personal data) which was used 13 times.

## **7. Internal Reviews**

- 7.1 Eight FOI/EIR requests so far this year have gone to internal review stage. In seven of these cases the original decision was either partly or completely upheld. The remaining review is still currently open.

## **8. Equality and Diversity Implications**

- 8.1 No Equality and Diversity Implications apply to this report.

## **9. Financial Implications**

- 9.1 There are no financial implications to this report.

## **10. Legal Implications**

- 10.1 Failure to respond to FOI/EIR requests within 20 working days is a breach of the respective legislation. Requesters whose FOIs/EIRs have not been answered within the statutory time limit have the right to request an internal review and/or to make a formal complaint to the Information Commissioner's Office (ICO). There are therefore direct legal implications associated with the risk of reputational damage to the Council, adverse publicity and active monitoring by the ICO.

## **11. Human Resource Implications**

- 11.1 There are no proposals in this report with any direct HR implications.

**12. Summary of Actions**

- 12.1 Directors will ensure requests in their service areas remaining overdue or approaching their deadline date are resolved as soon as possible so that current standards can be maintained and, if possible, exceeded.

**13. Conclusion**

- 13.1 The Council is currently compliant with the KPI target for FOI/EIR performance figures and performing above the required standard. To maintain this standard, directors should ensure that requests for their services are resolved as efficiently as possible. The Information Rights Officer in liaison with the Senior Information Risk Owner (SIRO) will continue to send reminders to any service areas responsible for requests which are nearing their deadline. Corporate Management Team should continue to monitor progress to drive improvement.

**14. Background Papers**

None

**15. Appendices**

Appendix 1: Requests received by service area, 01/01/19 – 30/06/19

**Appendix 1 - Requests received by service area, 01/01/19 – 30/06/19 (excluding requests which are currently open)**

<b>Service Area</b>	<b>Total requests</b>	<b>Total answered in time</b>	<b>Percentage</b>
<b>COMMUNITY</b>			
Community Care	3	2	66.5%
Corporate Property	8	7	87.5%
Environmental Health	26	25	96%
Facilities Management	2	1	50%
Housing Advice	12	12	100%
Licensing	19	18	95%
Neighbourhood & Housing Management	12	11	91.5%
Private Sector Housing	13	13	100%
Repairs & Maintenance	2	2	100%
<b>TOTAL</b>	<b>97</b>	<b>91</b>	<b>94%</b>
<b>FINANCE</b>			
Benefits	5	5	100%
Business Rates	41	41	100%
Council Tax	20	20	100%
Democratic Services	7	7	100%
Financial Services	13	9	69%
ICT	20	20	100%
Web Team	3	3	100%
<b>TOTAL</b>	<b>109</b>	<b>105</b>	<b>96%</b>
<b>ENVIRONMENT</b>			
Bereavement	7	6	86%
Engineers	2	2	100%
Economic Development	3	3	100%
Fleet & Waste	23	15	65%
Legal	10	10	100%
Leisure Services	2	1	50%
Parking	14	14	100%
Parks & Countryside	16	15	94%
<b>TOTAL</b>	<b>77</b>	<b>66</b>	<b>85.5%</b>

<b>Service Area</b>	<b>Total requests</b>	<b>Total answered in time</b>	<b>Percentage</b>
<b>MANAGEMENT TEAM</b>			
HR	17	17	100%
Internal Audit	4	4	100%
PR & Marketing	3	1	33%
Policy & Partnership	4	4	100%
<b>TOTAL</b>	<b>28</b>	<b>26</b>	<b>93%</b>
<b>PLANNING</b>			
Planning	48	48	100%
Major Projects	2	2	100%
<b>TOTAL</b>	<b>50</b>	<b>50</b>	<b>100%</b>
<b>GRAND TOTAL</b>	<b>361</b>	<b>338</b>	<b>93.5%</b>

Corporate Governance and Standards Committee Report

Ward(s) affected: n/a

Report of Director of Environment

Author: Ciaran Ward

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Date: 19 September 2019

## General Data Protection Regulation Update

### Executive Summary

The General Data Protection Regulation (GDPR), replacing the Data Protection Act 1998, came into force in May 2018, and sets out how organisations can collect and use personal data. 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, Data Protection Act 2018) will continue to apply in the UK after the UK leaves the EU.

### Recommendation to Committee

That the Corporate Governance and Standards Committee notes the officer actions and continues to receive updates on a six monthly basis.

### Reason for Recommendation

To ensure the Council continues to comply with GDPR legislation.

### 1. Purpose of Report

1.1 This report explains action taken to progress the implementation of the GDPR, which came into effect on 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. Progress since January 2019**

- 3.1 It is now 16 months since the coming into force of the GDPR. The Council has successfully completed a GDPR compliance /transition programme which has been documented in previous reports.
- 3.2 Although the bulk of the groundwork has been carried out, it is important that staff continue to be aware of GDPR provisions when handling, transferring or storing any personal data.
- 3.3 Since the last report, a number of developments have been progressed. A new section entitled “Information Security Policies & Procedures” has been created on the Council’s intranet pages with links to the following recently approved or updated items:
- Data Protection Policy 2018
  - Revised Records Retention & Disposal Schedule
  - Councillor ICT Policy
  - Data Breach Response & Notification Policy
  - ICT Users Policy
  - Information Systems Security Policy
  - GBC Mitel Softphone Policy
  - GBC Firewall Policy Review
- 3.4 The Council has achieved Cyber Essentials certification – a status which provides a level of assurance to the public around information security – which is approved by the National Cyber Security Centre (NCSC)
- 3.5 Monthly security patching is now in place on all computer servers. A new system which scans the internal network for vulnerabilities is now in use.
- 3.6 GDPR training was delivered to the new intake of borough councillors and parish councillors during May and June.
- 3.7 The Council has procured a SIEM (Security Information and Event Management) solution which delivers real time threat protection, incident response and compliance management.

### **4. Conclusion**

- 4.1 Although the Council’s GDPR project has been successfully completed, compliance and awareness work continue via monthly meetings of the Privacy & Information Security Liaison Group, the Information Risk Group and regular reports presented to the Corporate Governance Group.

Corporate Governance and Standards Committee Report

Ward(s) affected: n/a

Report of the Director of Finance

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Date: 19 September 2019

## **Councillor Training and Development Annual Report 2019-20**

### **Executive Summary**

As agreed previously by the Corporate Governance and Standards Committee, the Councillor Development Steering Group will submit an annual report to consider matters relating to the ongoing councillor training and development programme.

This report outlines the work undertaken by the Steering Group to date, focussing on the Councillor Induction Programme which ran from May-July 2019 following the local elections and feedback received. Councillors have also been asked to complete a Personal Development Plan (PDP). The information gathered from the PDP will assist the steering group in focussing on the specific training needs and requirements of all councillors and will inform the ongoing councillor development and training programme. Lastly, the report outlines the work being carried out in preparation for our next reassessment under the South East Employers Charter for Elected Member Development, which is due to take place in November 2019. The date will be confirmed shortly.

### **Recommendation to the Committee:**

That the Committee notes 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.

### Reason for Recommendation:

To recognise the important and ongoing work of the Councillor Development Steering Group.

### **1. Purpose of report**

- 1.1 The purpose of this report is to ask the Committee to consider matters relating to the ongoing councillor training and development programme.

## 2. Strategic Priorities

- 2.1 The training and development of councillors to equip them with the knowledge and skills to enable them effectively to carry out the various roles that they are expected to perform is consistent with the principles of good corporate governance and is referenced in the Annual Governance Statement as part of the arrangements the Council has for delivering good governance. The processes and procedures put in place for councillors' training and development provide a robust framework for responding to future challenges and legislative changes, which, in turn, help the Council to deliver on all of its strategic priorities.

## 3. Background

- 3.1 Any council that is serious about meeting the needs of its community through its corporate plan priorities must be committed to the ongoing training and development of its councillors. Most councils have some form of support programme in place. However, the approach and levels of commitment and effectiveness vary.

### Councillors' Development Steering Group

- 3.2 It is essential that member development is member-led and, to that end, a small cross party steering group, currently comprising five councillors<sup>1</sup>, supported by Committee Services officers, is responsible for overall co-ordination of member development at Guildford.

- 3.3 The Steering Group's current terms of reference are:

*"To continue to support councillors in their ongoing development and training needs through a clear, structured Action Plan for councillor development that responds to the fundamental themes that support the vision of the Corporate Plan: Place-making, Community and Innovation."*

- 3.4 The Steering Group meets every three months and the standing items on each agenda include:

- Feedback from Councillor Training Events from the previous quarter
- The ongoing Councillors' Training and Development Programme
- Monitoring of expenditure against the Councillors' Training and Development Budget

### Ongoing training and development programme

- 3.5 As stated in paragraph 3.4 above, the Steering Group considers the ongoing training and development programme for councillors at each of its meetings. The Steering Group under the previous administration agreed that a comprehensive induction programme be put together for all newly elected councillors that ran from May-July 2019. The following training and development events for councillors were held:

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<sup>1</sup> Councillor Colin Cross (Chairman), Councillor Richard Billington, Councillor Angela Gunning, Councillor Ramsey Nagaty and Councillor Pauline Searle.



DATE	TITLE OF TRAINING
7 May 2019	Reception for newly elected Councillors
9 May 2019	ICT Overview
13 May 2019	Licensing Act 2003 Training
14 May 2019	Mock Council Meeting
16 May 2019	Planning Basics Training
23 May 2019	Effective Overview and Scrutiny Training
30 May 2019	General Data Protection Regulation Training (GDPR) for Councillors
5 June 2019	Chairing Meetings Training
6 June 2019	Planning Basics Training (repeat)
10 June 2019	Ethical Standards Training
11 June 2019	Member/Officer Relations Training
12 June 2019	Ethical Standards Training for Parish Councillors (Western Parishes)*
13 June 2019	Overview of role of Corporate Governance and Standards Committee
20 June 2019	Licensing Committee Training – Hackney Carriage and Private Hire Driver/Vehicle/Operator Licensing
24 June 2019	Introduction to Local Government Finance
25 June 2019	Ethical Standards Training for Parish Councillors (Eastern Parishes)*
26 June 2019	Licensing Act 2003 Training (repeat)
27 June 2019	General Data Protection Regulation (GDPR) Training for Parish Councillors *
2 July 2019	Equalities and Diversity Training
10 July 2019	Licensing Committee Training – Hackney Carriage and Private Hire Driver/Vehicle/Operator Licensing (repeat)
15 July 2019	Effective Meetings

\* Although this training was provided for parish councillors at no cost to parish councils, the turnout at each session was disappointingly low despite plenty of notice being given

- 3.6 Feedback received following the training sessions was overall very positive. Officers have noted that copies of the presentations should be handed out as part of the training session so that councillors have them to hand to make notes on as, on occasion, hand-outs were not provided. Some councillors had also commented that the training provided on Member/Officer Relations and Equality and Diversity was not comprehensively addressed and that further training in these areas was required. Officers will look to schedule in additional training in these areas in order to bridge any knowledge gaps.
- 3.7 Councillors have been asked to complete their Personal Development Plans by Friday 4 October 2019. The response rate required by South East Employers in meeting the requirements of the Charter for Elected Member Development is 60%. The Councillor Development Steering Group will tailor the ongoing councillor training programme in line with the identified training needs highlighted by councillors in their Personal Development Plan responses.
- 3.8 The Steering Group also continue to support the arrangement of bite-sized training prior to Planning Committee and Corporate Governance and Standards Committee meetings. This has proved to be successful in terms of

increasing attendance at such training and the Steering Group will be looking at opportunities to extend bite sized training to other committees.

- 3.9 The Steering Group is also keen to share training with other local authorities. We are looking to share Licensing Sub-Committee training with Waverley Borough Council on a date to be scheduled in October 2019 hosted by James Button. We hope to build upon such shared learning opportunities as it provides a useful platform for councillors from other authorities to network and learn from each other's experiences.
- 3.10 The 2019-20 Councillor Training Programme is attached at **Appendix 1**.

Dedicated Learning and Development section of Guildford Borough Council website

- 3.11 We have now created a dedicated learning and development space on the Council's website that is password protected for councillors. The site has gone live on the Council's website and can be viewed here: <https://www.guildford.gov.uk/councillorspages>. Links to webcasts of training are listed here along with any learning materials such as powerpoint presentations. In addition, councillors can download copies of claim forms, find dates of forthcoming training, organisation charts as well as a list of key officer contact telephone numbers and other useful information.

Learning Pool

- 3.12 We previously used Learning Pool to provide an online training resource for councillors. The cost of the contract was £8,000 over two years. The Steering Group agreed that the large costs were prohibitive given the course materials were not updated by Learning Pool and feedback received from councillors that the site was difficult to navigate. We are currently looking into alternative online learning providers for councillor training.

The Charter for Elected Member Development

- 3.13 The Charter provides a robust, structured framework designed to help councils enhance and hone member development. The Charter is available for councils, police and fire authorities across the south-east region. To date, 19 councils in the South East (outside London) have achieved accreditation.
- 3.14 Guildford achieved full accreditation under the Charter initially in 2013, and were successfully reaccredited in 2016. Guildford also successfully completed the 18 month interim assessment on 11 June 2018 and therefore demonstrated that we continue to meet the standards required of the Charter. The Council will be due to undertake another full reassessment in November 2019.
- 3.15 The potential future priorities for the Councillor Development Steering Group to work towards will be devised following the next Charter Reassessment Day.

Charter Reassessment Day – November 2019

- 3.16 This will involve an assessment day with the South East Employers Assessment Team, councillors and key officers. Typically, the day involves interviews with:
- The Leader of the Council

- Councillors' Development Steering Group members
- Leaders of political groups on the Council
- A minimum of seven non-executive members, including at least one recently elected. This will be in workshop format
- The Managing Director
- Officer responsible for Member Development

#### **4. Financial Implications**

- 4.1 The Councillors' Training and Development budget is normally £12,000 per annum and was increased to £14,000 for 2019-20 to cover the additional spend anticipated following the intensive Councillor Induction programme. The Steering Group oversees and monitors how this is spent throughout the year. We are currently within budget but may overspend slightly when incorporating all training to be scheduled for the rest of the financial year.
- 4.2 The cost to the Council for assessment under the Charter for Elected Member Development is £2,500, which covers a three-year period and the next payment is due in January 2021, for which separate budgetary provision has been made.

#### **5. Legal Implications**

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

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

- 6.1 There are no HR implications arising from this report. All officer support for councillors' development is met through existing staffing resources.

#### **7. Background papers**

None

#### **8. Appendices**

Appendix 1: Current councillors' training and development programme

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The Council's Strategic Framework is set out below. Within the draft programme the link between this framework and each of the planned training events is identified in the column with the appropriate reference.

<b>*Reference</b>	<b>Strategic Framework</b>
<b>V1.</b>	<p><b>Vision – for the borough</b> 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.</p>
<b><u>Three fundamental themes and nine strategic priorities that support our vision:</u></b>	
<b>VI1.</b>	<p><b>Place-making</b> – delivering the Guildford Borough Local Plan and providing the range of housing that people need, particularly affordable homes.</p> <p>Making travel in Guildford and across the borough easier</p> <p>Regenerating and improving Guildford town centre and other urban areas</p>
<b>VI2.</b>	<p><b>Community</b> – supporting older, more vulnerable and less advantaged people in our community</p> <p>Protecting our environment</p> <p>Enhancing sporting, cultural, community, and recreational facilities</p>
<b>VI3.</b>	<p><b>Innovation</b> – Encouraging sustainable and proportionate economic growth to help provide the prosperity and employment that people need</p> <p>Creating smart places infrastructure across Guildford</p> <p>Using innovation, technology and new ways of working to improve value for money and efficiency in Council services.</p>
<b><u>Values for our residents</u></b>	
<b>VA1.</b>	We will strive to be the best Council.
<b>VA2.</b>	We will deliver quality and value for money services.
<b>VA3.</b>	We will help the vulnerable members of our community.
<b>VA4.</b>	We will be open and accountable.
<b>VA5.</b>	We will deliver improvements and enable change across the borough.
<b>Mission – for the Council</b>	
<b>M1</b>	A forward looking, efficiently run Council, working in partnership with others and providing first class services that give the community value for money, now and in the future.

**Priority Scale:**

**High Priority 1-3**

**Low Priority 4-6**

**This plan should**

- address development priorities
- set out how, when, where and who is responsible
- take account of access to development opportunities

External | Internal

	Training	Method	Approx Duration	Who	Priority	Potential Date	Lead Officer	Vision/ Mission/ Core Value or Strategic Priority*	Cost	
Page 105	<b>Scrutiny &amp; Challenge</b>									
	1.	Overview and Scrutiny Process	A number of training sessions have been held to date with John Cade (Institute of Local Government Studies at the University of Birmingham) in relation to the Overview and Scrutiny process following the implementation of the new governance structure in January 2016.  The Centre for Public Scrutiny (CfPS) is on the councillors' section of the Website to signpost councillors to courses which might be of interest to them: <a href="http://www.cfps.org.uk/events/">http://www.cfps.org.uk/events/</a>							
<b>Political Understanding</b>										
2.	Local Government Information Unit	The LGiU run an extensive and popular programme of events, training and seminars. A link is provided on the councillors' section of the Website to signpost councillors to courses which might be of interest to them: <a href="http://www.lgiu.org.uk/events/">http://www.lgiu.org.uk/events/</a>	As defined by Councillors own time commitments	All Councillors	3	N/A	Committee Services	M1 VA1 VA4	Costs: TBC	

	Training	Method	Approx Duration	Who	Priority	Potential Date	Lead Officer	Vision/ Mission/ Core Value or Strategic Priority*	Cost
3.	E-Learning Distance Resources	The LGA has produced a series of distance learning materials, covering a number of topics, in the form of workbooks and e-learning modules. Both resources are aimed at all councillors and will be particularly useful to new councillors: <a href="https://www.local.gov.uk/our-support/highlighting-political-leadership/community-leadership/councillor-workbooks">https://www.local.gov.uk/our-support/highlighting-political-leadership/community-leadership/councillor-workbooks</a>	As defined by Councillors	All Councillors	3	N/A	Committee Services	M1 VA1 VA4	No costs
<b>Regulating and Monitoring</b>									
4.	Planning	Prior to every other planning meeting at 6pm, a bite-sized planning training session is organised and facilitated by planning officers or external providers.	30-45 minutes	Planning Committee members	2		Committee Services	M1 VA5 V13	No costs
5.	Licensing Act 2003 and Taxi Training Refresher Training	James Button	2 hours	All Councillors	2	James Button will be providing mock Licensing Sub-Committee training at Waverley	Committee Services	M1 VA5 V13	£925 plus expenses and VAT per course (cost will be split with

	Training	Method	Approx Duration	Who	Priority	Potential Date	Lead Officer	Vision/ Mission/ Core Value or Strategic Priority*	Cost
						Borough Council in October and we have expressed an interest in securing some spaces for Guildford Borough Councillors. Further details to be confirmed.			Waverley)
	<b>Communication</b>								
Page 108	Part 1: Broadcast Media Training  Part 2: Using Social Media	ACM Training  Richard Uridge	10am – 4pm  And  7pm – 9pm	Leader and Deputy Leader/Exec members  All Councillors	1	Date TBC	Committee Services	VA1, V1, VA3, VA4	Approx: £1798 (based upon costs when previously used Richard Uridge)
	<b>Local Leadership</b>								
7.	Understanding the demands of the role of councillor	<b>Within Political Group</b>  Mentoring within Political Groups	As necessary	All Councillors	1	As and when required by Councillors	Councillors on the Councillors Development Steering Group	VA1 M1	Internal Resource No financial cost
8.	Dealing with ward issues	<b>Within Political Group</b>  Mentoring within Political	As necessary	All Councillors	2	As and when required by Councillors	Councillors on the Councillors Development	VA1 M1	Internal Resource No financial



	<b>Training</b>	<b>Method</b>	<b>Approx Duration</b>	<b>Who</b>	<b>Priority</b>	<b>Potential Date</b>	<b>Lead Officer</b>	<b>Vision/ Mission/ Core Value or Strategic Priority*</b>	<b>Cost</b>
		Groups					Steering Group		cost
<b>Knowledge of the Council</b>									
9	Bite-sized Treasury Management Training	Claire Morris Director of Finance	2 hours	All Councillors	2	Prior to Corporate Governance and Standards Committee meetings	Committee Services	VI2 M1 VA2	Internal Resource No financial cost

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Corporate Governance and Standards Committee Report

Ward(s) affected: n/a

Report of Director of Finance

Author: John Armstrong

Tel: 01483 444102

Email: john.armstrong@guildford.gov.uk

Date: 19 September 2019

## **Corporate Governance and Standards Committee – 12 month rolling Work Programme**

### **Recommendation**

That the Committee considers and approves its updated 12 month rolling work programme, as detailed in Appendix 1 to this report.

#### Reason for recommendation:

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

### **1. Purpose of report**

- 1.1 The draft work programme attached as Appendix 1 sets out the items scheduled to be considered by this Committee at its meetings over the next 12 months.

### **2. Draft work programme**

- 2.1 The draft work programme for the Corporate Governance and Standards Committee is set out in Appendix 1 to this report. The timing of the reports contained in the work programme is subject to change, in consultation with the chairman. The items to be considered include decisions to be made by the Executive and/or full Council, with consideration of any comments or recommendations made by this Committee.

### **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 draft work programme

## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE DRAFT WORK PROGRAMME

19 November 2019

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Annual Audit Letter for 2018-19	To consider the Annual Audit Letter for 2018-19	Executive: 7 January 2020	Claire Morris 01483 444827
Financial Monitoring 2018-19: Period 6 (April to October 2019)	To note the results of the Council's financial monitoring for the period April to October 2019	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Summary of internal audit reports (April to September 2019)	To consider the summary of internal audit reports and progress on the internal audit plan for April to September 2019, including update on complaints to the Local Government Ombudsman for that period.	Corporate Governance and Standards Committee	Joan Poole 01483 444854
Review of Protocol on Councillor/Officer Relations	To consider recommendations of the task group appointed by the Committee to review the Protocol	Council: 3 December 2019	John Armstrong 01483 444102
Review of the Councillors' Code of Conduct	To consider a review of the Councillors' Code of Conduct following an all councillor workshop.	Council: 3 December 2019	Robert Parkin 01483 444135

## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE DRAFT WORK PROGRAMME

16 January 2020

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Capital and investment strategy (2020-21 to 2023-24)	To comment on various recommendations to the Executive and Council	Executive: 21 January 2020 Council: 5 February 2020	Victoria Worsfold 01483 444834
Financial Monitoring 2019-20 Period 8 (April to November 2019)	To note the results of the Council's financial monitoring for the period April to November 2019	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	Robert Parkin 01483 444135
Equalities Scheme Action Plan	Annual monitoring report on the implementation of the actions in the Equalities Scheme action plan approved in January 2018	Corporate Governance and Standards Committee	Lucy Richards 01483 444013
Gender Pay Gap Report 2020-21	To note the Council's gender pay gap report	Corporate Governance and Standards Committee	Francesca Smith 01483 444014
Freedom of Information Compliance - Annual Report 2019	To consider the annual report for 2019 on the Council's performance in dealing with Freedom of Information requests.	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
General Data Protection Regulation Update	To consider a six monthly update on compliance with the GDPR	Corporate Governance and Standards Committee	Joyce Hamilton 01483 444053

## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE DRAFT WORK PROGRAMME

26 March 2020

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Discussions with those charged with governance	To agree the Committee's response to the external auditor's audit plan	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Annual Governance Statement 2019-20	To adopt the Council's Annual Governance Statement 2019-20	Executive: 21 April 2020	Claire Morris 01483 444827
Audit Report on the Certification of Financial Claims and Returns 2018-19: Housing Benefit Subsidy and Pooling Housing Capital Receipts	To note the position regarding the certification of financial claims and returns for 2018-19	Corporate Governance and Standards Committee	Belinda Hayden 01483 444867
External Audit Plan and Audit Update 2019-20	To approve the external audit plan for 2019-20, 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
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
Financial Monitoring 2019-20 Period 10 (April 2019 to January 2020)	To note the results of the Council's financial monitoring for the period April 2019 to January 2020	Corporate Governance and Standards Committee	Claire Morris 01483 444827

## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE DRAFT WORK PROGRAMME

### June 2020

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Capital and Investment outturn report 2019-20	To submit any comments to the Executive when it considers this matter in June 2020.	Executive: June 2020 Council: July 2020	Victoria Worsfold 01483 444834
Revenue Outturn Report 2019-20	To note the Draft Statement of Accounts 2019-20, and to make any comments to officers in advance of the audit.	Executive: June 2020	Claire Morris 01483 444827
Housing Revenue Account Final Accounts 2019-20	To submit any comments to the Executive when it considers this matter in June 2019.	Executive: June 2020	Philip O'Dwyer 01483 444318
External Audit 2020-21 Fee Letter	To consider the planned audit fee	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Internal Audit Plan 2020-21	To consider the internal audit plan for 2020-21	Corporate Governance and Standards Committee	Joan Poole 01483 444854
Review of the Councillors' Development Steering Group	(1) To approve the numerical allocation of seats on the Steering Group to each political group for 2020-21.  (2) To ask political group leaders to confirm the councillor membership of the Steering Group for 2020-21	Corporate Governance and Standards Committee	John Armstrong 01483 444102



## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE DRAFT WORK PROGRAMME

### July 2020

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
2019-20 Audit Findings Report: Year ended 31 March 2020	To note the external auditor's findings and management's response in the Action Plan	Corporate Governance and Standards Committee	Claire Morris 01483 444827
2019-20 Audited Statement of Accounts	To approve the 2019-20 Statement of Accounts	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Financial Monitoring 2020-21 Period 2 (April/May 2020)	To note the results of the Council's financial monitoring for the period April/May 2020	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Summary of Internal Audit Reports October 2019 – March 2020	To consider the summary of internal audit reports for the period October 2019 to March 2020, including an update on complaints to the Local Government Ombudsman for that period	Corporate Governance and Standards Committee	Joan Poole 01483 444854
Freedom of Information Compliance update	To consider the update report on the Council's performance in dealing with Freedom of Information requests (January to June 2020)	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072

## CORPORATE GOVERNANCE AND STANDARDS COMMITTEE DRAFT WORK PROGRAMME

### September 2020

<b>Subject</b>	<b>Details of decision to be taken</b>	<b>Decision to be taken by</b>	<b>Contact Officer</b>
Financial Monitoring 2020-21 Period 4 (April to July 2020)	To note the results of the Council's financial monitoring for the period April to July 2020	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Councillor Training and Development Update	To consider a report from the Councillors' Development Steering Group relating to councillor training and development	Corporate Governance and Standards Committee	Sophie Butcher 01483 444056
General Data Protection Regulation (GDPR)	To consider a six monthly update on compliance with the GDPR	Corporate Governance and Standards Committee	Joyce Hamilton 01483 444053