

GUILDFORD BOROUGH COUNCIL

Minutes of a meeting of Guildford Borough Council held at Council Chamber, Millmead House, Millmead, Guildford, Surrey GU2 4BB on Wednesday 7 February 2018

- * Councillor Nigel Manning (Mayor)
- * Councillor Mike Parsons (Deputy Mayor)

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| Councillor David Bilbé | * Councillor Jennifer Jordan |
| * Councillor Richard Billington | * Councillor Nigel Kearse |
| * Councillor Philip Brooker | * Councillor Sheila Kirkland |
| * Councillor Adrian Chandler | * Councillor Julia McShane |
| * Councillor Alexandra Chesterfield | * Councillor Bob McShee |
| * Councillor Nils Christiansen | Councillor Marsha Moseley |
| Councillor Colin Cross | Councillor Nikki Nelson-Smith |
| * Councillor Geoff Davis | * Councillor Susan Parker |
| * Councillor Graham Ellwood | * Councillor Dennis Paul |
| * Councillor David Elms | * Councillor Tony Phillips |
| * Councillor Matt Furniss | * Councillor Mike Piper |
| * Councillor Andrew Gomm | * Councillor David Quelch |
| * Councillor Angela Goodwin | * Councillor Jo Randall |
| * Councillor David Goodwin | Councillor David Reeve |
| * Councillor Murray Grubb Jnr | * Councillor Caroline Reeves |
| * Councillor Angela Gunning | * Councillor Iseult Roche |
| * Councillor Gillian Harwood | * Councillor Tony Rooth |
| * Councillor Liz Hogger | * Councillor Matthew Sarti |
| * Councillor Christian Holliday | * Councillor Pauline Searle |
| * Councillor Liz Hooper | * Councillor Paul Spooner |
| * Councillor Mike Hurdle | * Councillor James Walsh |
| * Councillor Michael Illman | Councillor Jenny Wicks |
| * Councillor Gordon Jackson | * Councillor David Wright |

*Present

Honorary Alderman T Patrick was also in attendance.

The Council stood in silent tribute to the memory of Honorary Alderman Mrs Rosemary Hall MBE, who had passed away on 29 January 2018.

CO78 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors David Bilbé, Colin Cross, Marsha Moseley, Nikki Nelson-Smith, David Reeve, and Jenny Wicks; from Honorary Freeman Jen Powell and from Honorary Aldermen K Childs, Mrs C F Cobley, Mrs S Creedy, Mrs C F P Griffin, J Marks, B Parke, and L Strudwick.

CO79 DISCLOSURES OF INTEREST

There were no disclosures of interest.

CO80 MINUTES

The Council confirmed, as a correct record, the minutes of the meeting held on 5 December 2017. The Mayor signed the minutes.

CO81 MAYOR'S COMMUNICATIONS

The Mayor welcomed the new Council Solicitor, Robert Parkin to his first Council meeting.

The Mayor thanked those who had supported his recent fundraising Guildford v Waverley Bowling Challenge at Spectrum on 25 January 2018, which raised just over £1,200 for both his charity and the Mayor of Waverley's charity.

There were three more charity events before the end of the Mayoral year:

1. the Musical Extravaganza at the Yvonne Arnaud Theatre on 25 February 2018.
2. A charity curry night at the local Shahin Restaurant on 14 March 2018.
3. The Mayor's Charity Ball on 21 April 2018 at Guildford Harbour Hotel.

The Mayor announced the recent launch of the Mayor's Award for Service to the Community 2018, details of which were available on the website.

CO82 LEADER'S COMMUNICATIONS

The Leader of the Council expressed his condolences in respect of the recent death of Honorary Alderman Mrs Rosemary Hall on behalf of the residents of Ash for whom Mrs Hall had achieved so much in her time as a councillor.

The Leader expressed his disappointment on the outcome of two recent successful planning appeals in relation to the Guildford Railway Station re-development, and the Manor Farm site at Tongham. In respect of the former, the Leader reassured councillors that options were being explored in respect of the Council's response, including a possible judicial review of the decision. In any event, the Council would engage with the developer to try to secure an improved scheme.

The Leader highlighted the need to update the Council's development management policies and noted that the Lead Councillor for Housing and Environment was currently working with officers to see how quickly this could be done.

The Leader also announced that, earlier in the day, he had authorised the making of an Article 4 Direction in respect of a site at Wanborough.

CO83 PUBLIC PARTICIPATION

In accordance with Public Speaking Procedure Rule 2 (c), Mr Paul Soper addressed the Council in respect of agenda item 13 – Taxi and Private Hire Licensing Policy – Card Payments in Taxis.

Mr Soper asked that the Council allows taxi drivers to have the choice as to which card payment machine they install. The Lead Councillor for Licensing and Public Safety, Councillor Graham Ellwood, confirmed that provided the machines accepted Visa and Mastercard, together with Contactless payments, taxi drivers were free to choose whichever brand of machine they preferred.

CO84 QUESTIONS FROM COUNCILLORS

Councillor Bob McShee asked the Lead Councillor for Finance and Asset Management, Councillor Michael Illman, the following question:

“Following the publication in last week's Surrey Advertiser of the article headed ‘Council will borrow to fund £81m in Student housing’, a number of local residents have contacted me expressing their concerns about the Borough Council spending such a large sum on student housing.

We are here tonight to consider bids for funding, and I note, that on page 93 of the Agenda the Schedule of ‘General Fund Capital Bids’, the largest project over the next 3 years is student housing.

I would ask the Lead Councillor for Finance and Asset Management to clarify the risks involved in investing such a large amount of money in student accommodation.”

The Lead Councillor’s response to this question was as follows:

“I thank Cllr McShee for his question as it gives me an opportunity to comment on the article in Get Surrey. Get Surrey correctly reported that in the Capital and Investment Strategy report we are proposing a new project which is asking for a budget of £81 million for Student Accommodation. All details in relation to the project and the bid for funding are currently confidential and included within the Not for Publication section of tonight’s agenda. Thus, much of the other information within the Get Surrey article, including the claim that we are working with a particular partner(s), was purely media speculation and not based on information that is contained in the public sections of the capital and investment strategy report.

Before answering the specific question, it would be helpful to provide some context.

Our Corporate Plan sets out how we are aiming to provide a range and mixture of housing to meet local need, such as increasing the homes provided by North Downs Housing - the Council-owned market landlord company, and investing in building a mix of new homes for sale or affordable rent.

The Council is already investing in building a mix of new homes for sale or affordable rent – key schemes underway include:

- *Guildford Park Road on previous open-air car park site (160 homes, 64 for affordable rent)*
- *Apple Tree pub site in Park Barn (18 homes, all for affordable rent with nine fully wheelchair accessible)*
- *Ladymead site near the new Fire Station (12 homes, all for affordable rent)*
- *other smaller scale previously-developed sites (21 homes across five sites, all for affordable rent)*

Key future schemes include larger-scale developments in Slyfield and Bright Hill. The Slyfield Area Regeneration Project, for which £105 million was approved to go on to the provisional capital programme in the 2016-17 capital programme report considered at Budget Council in February 2016, is actually the largest project the Council is working on.

Whilst we are heavily investing in affordable housing, funded from our reserves, due to the existence of the HRA borrowing cap, we cannot borrow to fund affordable or social housing. Guildford, along with a number of other councils, has asked the government to change the rules so that we can but at present we cannot.

The Council has a diverse investment property portfolio which totals £145 million. From this, we currently generate £7.5 million in net income, which is used to pay for public services to the community. The income from our property portfolio subsidises the council tax; without it we would have to make significant cuts to public services or seek to significantly increase council tax to maintain the high level of services currently provided. Cllr McShee will see that on pages 87 and 88 of tonight’s agenda, that through professional management, our portfolio performs very well and is currently generating an income return of 6.46% across all sectors, which exceeds the All Sector Benchmark of 4.20%. Our Asset Investment Strategy, which was approved by the Executive in 2014, has been very successful for us and even won an award for Best Commercialisation and Entrepreneurship Initiative from the Association of Public Service Excellence (APSE) in Autumn 2017.

However, whilst we currently have holdings in Industrial, Office, Retail and Other property sectors, we currently do not have any holdings in the Student Housing Property Sector. Given the recognised demand for Student Housing within our own Borough and that it is recognised as a stable long term income generating asset class, there is the potential for the Council to

increase the level of diversification within its property portfolio by investing in Student Housing. The investment seeks to generate another long term secure income stream for the Council, which can be used to subsidise services to the council tax payer, as well as meet our strategic objective of providing a range of housing to meet local need.

Guildford's investment property portfolio is all within our own borough – we invest in our local community. As stated in paragraph 7.9 on page 48 of the agenda, the Council does not intend on purchasing investment property purely for financial gain. We link our investments to our functions and objectives as a local authority. The government recognises that this type of investment strategy is appropriate and in line with a council's core objectives of 'service delivery and place making'.

Bid 268 which is in the 'Not for Publication' item 18 on the agenda for tonight's meeting, and its supporting report, cover the risks of such an investment as we know them at this stage. We are in the process of commissioning property and legal advisors familiar with this type of investment to supplement our in-house skills and experience in finance and property management, to manage those risks. It is worth noting that other market investors looking for long term secure and stable income streams, such as pension and insurance funds often invest in asset classes such as Student Housing.

For now, we are only asking for this project to be accepted on to the provisional capital programme. We acknowledge that much more work and a detailed business case needs to be prepared before any decision to spend the budget will be taken. The Leader of the Council has already committed to giving full Council an opportunity to give final approval by confirming the availability of budget. It is anticipated that if the project is to proceed, the full business case and a report will be brought to full Council within 6 to 18 months."

Councillor Michael Illman
Lead Councillor for Finance and Asset Management

CO85 PAY POLICY STATEMENT 2018-19

Under Section 39 of the Localism Act 2011, the Council was required to consider and approve a pay policy statement for the financial year ahead. The Council therefore considered the Pay Policy Statement covering 2018-19. The report to the Council also sought approval to implement a 2.0% pay award for the Corporate Management Team (CMT) with effect from 1 April 2018.

Subject to Council approving the revenue budget for 2018-19, the Managing Director would agree a cost-of-living pay award with UNISON of 2.0% for all staff to apply for a period of 15 months from 1 April 2018.

The report highlighted the various updates that were proposed to be made to the Pay Policy Statement, including the new Senior Management structure, which comprised of four Directors reporting to the Managing Director, a Deputy Managing Director designation, and Service Leaders reporting to either the Managing Director or Directors. References to the Heads of Service roles had been removed.

New Government regulations required councils to publish details of their gender pay gap annually on their website and to upload this information to a publicly accessible Government website. The Pay Policy Statement included details of the Council's gender pay gap, with a mean pay gap of -9%, which compared favourably to the national figure of 9.1%.

Upon the motion of the Leader of the Council, Councillor Paul Spooner, seconded by the Lead Councillor for Finance and Asset Management, Councillor Michael Illman, the Council

RESOLVED:

- (1) That the Pay Policy Statement for the 2018-19 financial year, attached at Appendix 1 to the report submitted to the Council, be approved.
- (2) That, subject to approval of the 2018-19 revenue budget, a 2.0% pay award for the Managing Director, the Deputy Managing Director designation and the Directors be approved for implementation on 1 April 2018.

Reasons:

- (1) To comply with the Localism Act 2011 (Section 39)
- (2) To authorise the pay award for the Corporate Management Team

CO86 CAPITAL AND INVESTMENT STRATEGY (2018-19 TO 2021-22)

The Council considered a report on the Council's capital and investment strategy, which was a new requirement under the revised CIPFA Prudential Code 2018. The report incorporated the position of the current capital programme and the new capital proposals for the period 2018-19 to 2021-22, and the Treasury Management Annual Strategy Report for 2018-19.

These had previously been presented as separate reports, but were now presented together linking investment both in terms of treasury management and assets. The aim was to avoid duplication between the reports, and to strengthen the link between capital spending and the treasury management function.

CIPFA had also revised the Code of Practice on Treasury Management ('TM Code'), alongside the revision to the Prudential Code, details of which were highlighted in the report.

Due to the timing of the production of the codes, CIPFA had acknowledged that the 2018-19 report would be a year of transition, and that full adoption may not be possible until 2019-20.

The Department for Housing, Communities and Local Government (DHCLG) was consulting over revisions to their Investment Guidance, which included reference to investments in non-financial assets. The Guidance would retain the requirement for an Investment Strategy to be prepared at least annually for approval by Full Council.

The Council had a duty under the Local Government Act 2003 to have regard to both the CIPFA Codes and the DCLG Guidance.

In relation to the Capital Strategy, the Council sought to demonstrate that capital expenditure and investment decisions were taken in line with service objectives and properly took account of stewardship, value for money, prudence, sustainability and affordability. The Council also needed to demonstrate that it sets out the long-term context in which capital expenditure and investment decisions were made and gave due consideration to both risk and reward and impact on the achievement of priority outcomes.

The capital strategy also provided an overview of how capital expenditure, capital financing and treasury management activity contributed to the provision of services along with an overview of how associated risk was managed and the implications for future financial sustainability.

In relation to the Capital Programme, the Council had a current underlying need to borrow for the General Fund Capital Programme of £312 million. Officers had submitted bids, with a net cost to the Council of £96 million, increasing the underlying need to borrow to £407 million should those proposals be approved for inclusion in the programme. Councillors noted that, due to their commercial sensitivities, details of two of the capital bids had been included in the "Not for Publication" Item 18 attached to the agenda.

The Council noted that some capital receipts or revenue streams could arise as a result of investment in particular schemes, but in most cases it was too early to make such assumptions,

although some information had been included in the capital vision highlighting the potential income.

All projects would be funded by general fund capital receipts, grants and contributions, reserves and finally borrowing. It was not yet known how each scheme would be funded and, in the case of development projects, what the delivery model would be. The capital programme included a number of significant regeneration schemes which, it was assumed, would be financed from the General Fund. However, subject to detailed design of the schemes, there could be scope to fund them from HRA resources rather than General Fund resources in due course. Detailed funding proposals for each scheme would be considered when the Outline Business Case for each scheme was presented to the Executive for approval.

Details of the new capital bids submitted were set out in Appendices 2 and 3 to the report submitted to the Council, including the impact of proposed capital expenditure on Council Tax. Each of the bids had been evaluated by Corporate Management Team, and reviewed by the Joint Executive Advisory Board Budget Task Group.

The report also included details of the Council's Minimum Revenue Provision (MRP) policy and the Prudential Indicators.

In relation to Treasury Management, the Council noted that officers carried out this function within the parameters set by the Council each year in the Treasury Management Strategy Statement (now the capital and investment strategy), which was included at Appendix 1 to the report, and in accordance with the approved treasury management practices shown in Appendix 11 to the report.

The Government's view that the principle of security, liquidity and yield should apply to both financial and non-financial investments, was set out in proposed DHCLG guidance (which was currently out for consultation and subject to change).

With an ambitious Corporate Plan and medium to long-term aspirations, the Council was in a good financial position, and had a strong asset base and a good level of reserves. The budget for investment income in 2018-19 was £1.6 million, based on an average investment portfolio of £115 million, at an average rate of 1.63%. The budget for debt interest paid was £6.3 million, of which £5.1 million related to the HRA.

Councillors were advised that the Council was now required to include details of its non-treasury investments in the annual investment strategy. This included asset management, investment properties, investments in subsidiary companies and information on the Council's commercialisation and transformation programmes.

The report had also been considered by the Joint Executive Advisory Board at its meeting on 8 January 2018, and by the Corporate Governance and Standards Committee on 18 January 2018, and their recommendations were set out in paragraphs 9.1 and 9.2 of the report.

Upon the motion of the Lead Councillor for Finance and Asset Management, Councillor Michael Illman, seconded by the Leader of the Council, Councillor Paul Spooner, the Council

The Council

RESOLVED:

- (1) That the General Fund capital estimates, as shown in:
 - (a) Appendices 4 and 5 to the report submitted to the Council (current approved and provisional schemes), and as amended to include the new bids approved by the Executive on 23 January 2018, as follows:

New capital proposals to be added to approved list:

- ICT Renewals
- Deck Millbrook Car Park
- New Pay on Foot Equipment
- Structural Works to Multi-Storey Car Parks
- Park Barn Day Centre – air source heat pump heating system
- Sutherland Memorial Park – air source heat pump heating system
- Stoke Park Nursery – air source heat pump heating system

New capital proposals to be added to provisional list:

- Tyting Farm Land - removal of barns and concrete hardstanding
- A331 hotspots
- Rodboro buildings - electric theatre through road and parking
- Guildford bike share
- 48 Quarry St, Museum - structural works
- Guildford West (Park Barn) station
- Bus station relocation
- Shawfield Day Centre
- Sutherland Memorial Park - electrical works
- Millmead House - M&E plant renewal
- Hydro private wire
- Stoke Park Masterplan enabling costs
- Roads & footpaths
- Sports pavilions - replace water heaters
- Millmead fish pass
- Land to the rear of 39-42 Castle Street
- Old Manor House - replacement windows
- Crematorium VAT
- Student Accommodation Investment
- Museum additional funding
- Capital Contingency fund (annual budget)

(b) Appendix 6 to the report (schemes funded from reserves) and

(c) Appendix 7 to the report (s106 schemes)

be approved.

- (2) That the Minimum Revenue Provision policy, referred to in Section 6 of the report submitted to the Council, be approved.
- (3) That the Capital and Investment strategy be approved, specifically the Investment strategy and Prudential Indicators contained in Appendix 1 to the report.
- (4) That the Treasury Management Practices contained in Appendix 11 to the report be approved and that the Chief Finance Officer be authorised, in consultation with the Lead Councillor with responsibility for finance, to make changes to the Treasury Management Practices in future.

Reasons:

- To enable the Council to approve the capital and investment strategy and the treasury and prudential indicators for 2018-19 to 2022-23
- To enable the Council to approve the funding required for the new capital investment proposals.

CO87 HOUSING REVENUE ACCOUNT ESTIMATES 2018-19

The Council considered a detailed report on the draft Housing Revenue Account (HRA) budget and Housing Capital Investment Programme for 2018-19.

Since the introduction of HRA self-financing in 2012, the revenue budget and capital investment programme had mirrored the ambitions and priorities set out in the HRA Business Plan.

The 2018-19 estimates had been predicated on the assumptions contained in the business plan. Uncertainty remained around the detailed regulation accompanying The Welfare Reform and Work Act 2016 and The Housing and Planning Act 2016, which both potentially had material impacts for the 30 year business plan.

The Welfare Reform and Work Act 2016 required social housing providers in England to reduce social rents by 1% per annum for four years from 1 April 2016. The Government indicated in October 2017 that post-2020 there would be a return to an inflation linked rent settlement.

A 4% increase in garage rents was proposed from April 2018, based on the Consumer Price Index (CPI) plus 1%.

The report had set out details of progress with the new build programme together with the proposed investment programme in tenants' homes.

The estimates continued to be informed by the business plan, which attached a lower priority to the repayment of debt principal inherited as part of the self-financing HRA settlement. An updated HRA business plan would be submitted to the Executive for consideration in the first part of 2018.

At its meeting held on 23 January 2018, the Executive had considered this report and, subject to Council approving the budget at this meeting, had approved the projects forming the HRA major repair and improvement programme, as set out in Appendix 3 to the report and had authorised the Director of Community Services to reallocate funding between approved schemes to make best use of the available resources.

Upon the motion of the Lead Councillor for Housing and Environment, Councillor Philip Brooker, seconded by the Lead Councillor for Finance and Asset Management, Councillor Michael Illman, the Council

RESOLVED:

- (1) That the HRA revenue budget 2018-19, as set out in Appendix 1 to the report submitted to the Council, be approved.
- (2) That the 1% rent reduction required by the Welfare Reform and Work Act 2016 be implemented.
- (3) That the fees and charges for HRA services for 2018-19, as set out in Appendix 2 to the report, be approved.
- (4) That a 4% increase in garage rents be approved.
- (5) That the Housing investment programme as set out in Appendix 4 to the report (current approved and provisional schemes), be approved.

Reasons:

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

CO88 SERVICE AND FINANCIAL PLANNING - GENERAL FUND BUDGET 2018-19

The Council considered a detailed report on the draft General Fund Revenue budget for 2018-19, which included a Council Tax requirement of £9,525,280 (excluding parish precepts) and a Council Tax increase of £5 per year (3.09%), resulting in a Band D charge of £166.82.

The provisional Local Government Finance Settlement (LGFS) for 2018-19 had been received on 19 December 2017. The figures included in the outline budget presented to the Executive on 28 November 2017 were based on the 4-year local government finance settlement issued by Government in February 2016. The Settlement Funding Assessment (SFA) set out in the provisional LGFS was the same as the assumptions included in the outline budget. Within the settlement, the government had assumed that the Council would increase its Council Tax by £5 per annum.

The provisional award of New Homes Bonus (NHB) for 2018-19, also notified to the Council on 19 December 2017, had been lower than anticipated reflecting an overall reduction in NHB funding nationally.

The budget included previously reported additional investment in Council services of £1.3 million to meet corporate plan priorities, which had been offset by savings totalling £768,500 arising from a programme of efficiency and transformation, combined with the continuing development of income generation strategies.

The principal areas of additional investment in services included in the budget were:

1. Feasibility study into decking of Millbrook Car Park (£80,000)
2. Development of a plan and programme of implementation for the replacement of Spectrum Leisure Centre (£120,000)
3. Irrecoverable VAT implication arising from the crematorium redevelopment (£153,000)
4. A platform capacity study to inform improvements and a development brief for Guildford Railway Station (£150,000)
5. Develop through to planning application stage plans for the installation of a bridge or tunnel over/under the railway line on the A323 Guildford Road, Ash (£80,000)
6. Commission work to produce a supplementary planning document relating to a Strategic Design Overview Framework for the Local Plan (£200,000)
7. Feasibility study to investigate a new public bike share scheme for the town (£70,000)
8. Develop a proposal for a new passenger railway station on the North Downs Line to the west of Guildford main line station (£100,000)
9. Develop a regeneration brief for Guildford Railway Station (£150,000)

The Chief Finance Officer's (CFO) report providing information about the strategic context within which the budget had been prepared, the medium term financial plan, the robustness of the estimates, adequacy of reserves and budget risks had been included as Appendix 1 to the report.

The CFO report outlined that, since 2013-14, the Council had achieved a total of £4 million efficiency savings and £5.6million in additional income. The budget for 2018-19 included additional income proposals totalling £927,000. The medium term financial plan had assumed that a further £184,000 savings and £6.1 million additional income could be achieved between 2019-20 to 2021-22, which were identified from the business planning process undertaken in 2017-18 and 2018-19. However, the medium term financial position presented the Council with a significant challenge resulting from reductions or removal of government grant, increasing demand for services, unavoidable operating cost increases and an increasing capital programme.

The Council noted that the projected outturn for 2017-18 based on eight months' actual expenditure and income was £1.26 million less than the original budget for 2017-18. The Chief

Finance Officer, in consultation with the Lead Councillor for Finance and Asset Management and the Leader of the Council would decide the treatment of the final balance in June 2018. Any ongoing variances between actual expenditure and budget identified in 2017-18 had been taken into account when preparing the budget for 2018-19.

The Executive had considered the report at its meeting on 23 January 2018 and had endorsed the recommendations therein.

Under The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 and Council Procedure Rule 19 (d), the Council was reminded that a recorded vote would be conducted on the proposed budget and Council tax resolution as set out in the report and the Order Paper circulated at the meeting which contained details of the respective precepts set by Surrey County Council and the Police and Crime Commissioner for Surrey.

The Lead Councillor for Finance and Asset Management, Councillor Michael Illman proposed and the Leader of the Council, Councillor Paul Spooner, seconded the motion to approve the budget and council tax for 2018-19. During the debate, councillors commented on the continued significant reductions in Government funding, the economic uncertainties and risks surrounding Brexit, the impact of the significant financial pressures on Surrey County Council and the need for the Council to maintain investment in infrastructure projects.

Following the debate, the Council

RESOLVED:

- (1) That the budget be approved, and specifically that the Council Tax requirement for 2018-19 be set at £9,525,280 excluding parish precepts and £11,157,265 to include parish precepts.
- (2) That the Band D Council Tax for 2018-19 (excluding parish precepts) be set at £166.82, an increase of £5.00 (3.09%).
- (3) That the Band D Council Tax for 2018-19 (including parish precepts) be set at £195.40.
- (4) That the Council approves the following, as considered by the Executive on 23 January 2018:
 - (i) the General Fund revenue estimates for 2018-19 including proposed fees and charges relating to General Fund services, as set out in Appendix 5 to the report submitted to the Council;
 - (ii) the Housing Revenue Account estimates for 2018-19, including housing rents and other fees and charges;
 - (iii) the Capital and Investment Strategy for 2018-19; and
 - (iv) the Housing Revenue Account capital programme for 2018-19.
- (5) That the Chief Finance Officer be authorised to make a transfer to or from the business rates equalisation reserve should there be any variance in business rates income from that budgeted following receipt of the final Local Government Finance Settlement.
- (6) That the Chief Finance Officer be authorised to complete the Governance Arrangements in respect of the Surrey Business Rates Pilot and to enter into a formal Memorandum of Understanding (MoU) with the Government on behalf of the Council.

(7) That the Council notes that the Chief Finance Officer, in accordance with the terms of her delegated authority, has calculated the following amounts for the year 2018-19 in accordance with regulations made under Sections 31B (3) and 34(4) of the Local Government Finance Act 1992 (as amended) ('the Act'):-

(i) 57,099.15 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its council tax base for 2018-19 for the whole Council area.

(ii) For those parts of the borough to which a parish precept relates:

Parish of	
Albury	627.66
Artington	140.78
Ash	6,611.38
East Clandon	148.30
West Clandon	690.33
Compton	483.02
Effingham	1,388.38
East Horsley	2,519.25
West Horsley	1,507.97
Normandy	1,351.45
Ockham	253.64
Pirbright	1,251.59
Puttenham	301.55
Ripley	917.93
St.Martha	406.89
Seale & Sands	523.12
Send	2,043.26
Shackleford	375.80
Shalford	1,834.97
Shere	1,980.59
Tongham	866.65
Wanborough	168.40
Wisley (Meeting)	99.30
Worplesdon	3,474.70

being the amounts calculated by the Council, in accordance with Regulation 6 of the 1992 Regulations, as the amounts of its council tax base for the year for dwellings in those parts of its area to which one or more special items relate.

(8) That the Council calculates the following amounts for the financial year 2018-19 in accordance with Sections 31 to 36 of the Act:-

- (i) £162,012,737 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by parish councils.
- (ii) £150,855,472 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act
- (iii) £11,157,265 being the amount by which the aggregate at sub-paragraph (i) above exceeds the aggregate at sub-paragraph (ii) above, calculated by the Council in accordance with Section 31A(4) of the Act, as its council tax requirements for the year.

(iv) £195.40 being the amount at sub-paragraph (iii) above divided by the amount at sub-paragraph (i) of paragraph (7) above, calculated by the Council, in accordance with Section 31B (1) of the Act, as the basic amount of its Council Tax for the year (including parish precepts).

(v) £1,631,985 being the aggregate amount of all special items (parish precepts) referred to in Section 34(1) of the Act as follows:

Parish of	£
Albury	44,092
Artington	3,675
Ash	445,013
East Clandon	7,756
West Clandon	22,473
Compton	22,460
Effingham	96,895
East Horsley	118,524
West Horsley	82,140
Normandy	139,999
Ockham	10,500
Pirbright	56,500
Puttenham	12,350
Ripley	64,636
St.Martha	14,060
Seale & Sands	17,750
Send	44,604
Shackleford	9,395
Shalford	72,227
Shere	117,300
Tongham	29,074
Wanborough	3,850
Wisley (Meeting)	0
Worplesdon	196,712
Total	1,631,985

(vi) £166.82 being the amount at sub-paragraph (iv) above less the result given by dividing the amount at sub-paragraph (v) above by the amount at sub-paragraph (i) of paragraph (7) above, calculated by the Council in accordance with Section 34(2) of the Act, as the basic amount of its council tax for the year for dwellings in those parts of its area to which no special item (parish precept) relates.

(vii) Part of the Council's area

Parish of	£ p
Albury	237.07
Artington	192.92
Ash	234.13
East Clandon	219.12
West Clandon	199.37
Compton	213.32
Effingham	236.61
East Horsley	213.87
West Horsley	221.29

Parish of	£ p
Normandy	270.41
Ockham	208.22
Pirbright	211.96
Puttenham	207.78
Ripley	237.23
St.Martha	201.37
Seale & Sands	200.75
Send	188.65
Shackleford	191.82
Shalford	206.18
Shere	226.04
Tongham	200.37
Wanborough	189.68
Wisley (Meeting)	166.82
Worplesdon	223.43

being the amounts given by adding to the amount at sub-paragraph (vi) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at sub-paragraph (ii) of paragraph (7) above, calculated by the Council in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.

(viii) Part of the Council's area

VALUATION BANDS								
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
PARISH	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Albury	158.05	184.39	210.73	237.07	289.75	342.43	395.12	474.14
Artington	128.61	150.05	171.48	192.92	235.79	278.66	321.53	385.84
Ash	156.09	182.10	208.12	234.13	286.16	338.19	390.22	468.26
East Clandon	146.08	170.43	194.77	219.12	267.81	316.51	365.20	438.24
West Clandon	132.91	155.07	177.22	199.37	243.67	287.98	332.28	398.74
Compton	142.21	165.92	189.62	213.32	260.72	308.13	355.53	426.64
Effingham	157.74	184.03	210.32	236.61	289.19	341.77	394.35	473.22
East Horsley	142.58	166.34	190.11	213.87	261.40	308.92	356.45	427.74
West Horsley	147.53	172.11	196.70	221.29	270.47	319.64	368.82	442.58
Normandy	180.27	210.32	240.36	270.41	330.50	390.59	450.68	540.82
Ockham	138.81	161.95	185.08	208.22	254.49	300.76	347.03	416.44
Pirbright	141.31	164.86	188.41	211.96	259.06	306.16	353.27	423.92
Puttenham	138.52	161.61	184.69	207.78	253.95	300.13	346.30	415.56
Ripley	158.15	184.51	210.87	237.23	289.95	342.67	395.38	474.46

VALUATION BANDS								
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
PARISH	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
St.Martha	134.25	156.62	179.00	201.37	246.12	290.87	335.62	402.74
Seale & Sands	133.83	156.14	178.44	200.75	245.36	289.97	334.58	401.50
Send	125.77	146.73	167.69	188.65	230.57	272.49	314.42	377.30
Shackleford	127.88	149.19	170.51	191.82	234.45	277.07	319.70	383.64
Shalford	137.45	160.36	183.27	206.18	252.00	297.82	343.63	412.36
Shere	150.69	175.81	200.92	226.04	276.27	326.50	376.73	452.08
Tongham	133.58	155.84	178.11	200.37	244.90	289.42	333.95	400.74
Wanborough	126.45	147.53	168.60	189.68	231.83	273.98	316.13	379.36
Wisley (Meeting)	111.21	129.75	148.28	166.82	203.89	240.96	278.03	333.64
Worplesdon	148.95	173.78	198.60	223.43	273.08	322.73	372.38	446.86
TOWN AREA								
Guildford	111.21	129.75	148.28	166.82	203.89	240.96	278.03	333.64

being the amounts given by multiplying the amounts at sub-paragraphs (vi) and (vii) above by the number which in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (9) That the Council notes that for the year 2018-19, (i) Surrey County Council (SCC) and (ii) the Police and Crime Commissioner for Surrey (PCCS) have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwelling in the Council's area as shown below:

VALUATION BANDS								
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
(i) SCC	940.86	1,097.67	1,254.48	1,411.29	1,724.91	2,038.53	2,352.15	2,822.58
(ii) PCCS	157.71	184.00	210.28	236.57	289.14	341.71	394.28	473.14

- (10) That the Council agrees, having calculated the aggregate in each of the amounts at sub-paragraph (viii) of paragraph (8) and paragraph (9) above, to set the following amounts as the amounts of Council Tax for the year 2018-19 for each of the categories of dwellings shown below in accordance with Section 30(2) of the Act.

Part of the Council's Area:

VALUATION BANDS								
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
PARISH	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Albury	1,256.62	1,466.06	1,675.49	1,884.93	2,303.80	2,722.67	3,141.55	3,769.86
Artington	1,227.18	1,431.72	1,636.24	1,840.78	2,249.84	2,658.90	3,067.96	3,681.56
Ash	1,254.66	1,463.77	1,672.88	1,881.99	2,300.21	2,718.43	3,136.65	3,763.98
East Clandon	1,244.65	1,452.10	1,659.53	1,866.98	2,281.86	2,696.75	3,111.63	3,733.96
West Clandon	1,231.48	1,436.74	1,641.98	1,847.23	2,257.72	2,668.22	3,078.71	3,694.46
Compton	1,240.78	1,447.59	1,654.38	1,861.18	2,274.77	2,688.37	3,101.96	3,722.36
Effingham	1,256.31	1,465.70	1,675.08	1,884.47	2,303.24	2,722.01	3,140.78	3,768.94
East Horsley	1,241.15	1,448.01	1,654.87	1,861.73	2,275.45	2,689.16	3,102.88	3,723.46
West Horsley	1,246.10	1,453.78	1,661.46	1,869.15	2,284.52	2,699.88	3,115.25	3,738.30
Normandy	1,278.84	1,491.99	1,705.12	1,918.27	2,344.55	2,770.83	3,197.11	3,836.54
Ockham	1,237.38	1,443.62	1,649.84	1,856.08	2,268.54	2,681.00	3,093.46	3,712.16
Pirbright	1,239.88	1,446.53	1,653.17	1,859.82	2,273.11	2,686.40	3,099.70	3,719.64
Puttenham	1,237.09	1,443.28	1,649.45	1,855.64	2,268.00	2,680.37	3,092.73	3,711.28
Ripley	1,256.72	1,466.18	1,675.63	1,885.09	2,304.00	2,722.91	3,141.81	3,770.18
St.Martha	1,232.82	1,438.29	1,643.76	1,849.23	2,260.17	2,671.11	3,082.05	3,698.46
Seale & Sands	1,232.40	1,437.81	1,643.20	1,848.61	2,259.41	2,670.21	3,081.01	3,697.22
Send	1,224.34	1,428.40	1,632.45	1,836.51	2,244.62	2,652.73	3,060.85	3,673.02
Shackleford	1,226.45	1,430.86	1,635.27	1,839.68	2,248.50	2,657.31	3,066.13	3,679.36
Shalford	1,236.02	1,442.03	1,648.03	1,854.04	2,266.05	2,678.06	3,090.06	3,708.08
Shere	1,249.26	1,457.48	1,665.68	1,873.90	2,290.32	2,706.74	3,123.16	3,747.80
Tongham	1,232.15	1,437.51	1,642.87	1,848.23	2,258.95	2,669.66	3,080.38	3,696.46
Wanborough	1,225.02	1,429.20	1,633.36	1,837.54	2,245.88	2,654.22	3,062.56	3,675.08
Wisley (Meeting)	1,209.78	1,411.42	1,613.04	1,814.68	2,217.94	2,621.20	3,024.46	3,629.36
Worplesdon	1,247.52	1,455.45	1,663.36	1,871.29	2,287.13	2,702.97	3,118.81	3,742.58
TOWN AREA								
Guildford	1,209.78	1,411.42	1,613.04	1,814.68	2,217.94	2,621.20	3,024.46	3,629.36

***Note: Wisley Parish Meeting**

In accordance with the Executive's decision at its meeting on 8 August 2002 (see Minute No. 270 – 2002-03), the Chief Finance Officer has anticipated the precept for 2018-19 for the Wisley Parish Meeting to be £nil and this is reflected in all the relevant Council Tax figures above.

- (11) That the Council determines that the Borough Council's basic amount of council tax for 2018-19 is not excessive in accordance with the principles approved under section 52ZB of the Act.
- (12) That, as the billing authority, the Council notes that it has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2018-19 was excessive under the regulations and that the billing authority was not required to hold a referendum in accordance with Section 52ZK of the Act.
- (13) That the Council agrees, in respect of council tax payments:
- (i) that the payment dates for the statutory ten monthly instalment scheme be set to run from 2 April to 2 January each year; and
 - (ii) that the payment dates be set as the second day of each month for a customer who has requested to opt out of the statutory scheme under the provisions of The Council Tax (Administration and Enforcement) (Amendment) (No 2) (England) Regulations 2012.
- (14) That the Council agrees, in respect of non-domestic rate payments:
- (i) that the payment dates for the statutory ten monthly instalment scheme be set to run from 2 April to 2 January each year; and
 - (ii) that the payment dates be set as the second day of each month for a customer who has requested to opt out of the statutory scheme under the provisions of the Non Domestic Rating (Collection and Enforcement) (Amendment) (England) Regulations 2014.
- (15) That the Council approves the annual statement of accounts for Wisley Parish Meeting, which is currently dormant, for the year ended 31 March 2017, as set out below:

	Year ending	
	31 March 2016 £	31 March 2017 £
1. Balances brought forward	3,469	3,489
2. (+) Annual precept	Nil	Nil
3. (+) Total other receipts	20	18
4. (-) Staff costs	Nil	Nil
5. (-) Loan interest/capital repayments	Nil	Nil
6. (-) Total other payments	Nil	Nil
7. (=) Balances carried forward	3,489	3,507
8. Total cash and investments	3,489	3,507
9. Total fixed assets and long-term assets	Nil	Nil
10. Total borrowings	Nil	Nil

Reason:

To enable the Council to set the Council Tax requirement and council tax for the 2018-19 financial year.

Result of the Recorded Vote:

The motion to adopt the Budget and Council Tax resolution above was approved, with thirty-two councillors voting in favour, one voting against and nine abstentions, as follows:

FOR:

Councillor Richard Billington
Councillor Philip Brooker
Councillor Adrian Chandler
Councillor Alexandra Chesterfield
Councillor Nils Christiansen
Councillor Geoff Davis
Councillor Graham Ellwood
Councillor David Elms
Councillor Matt Furniss
Councillor Andrew Gomm
Councillor Murray Grubb Jnr.
Councillor Angela Gunning
Councillor Christian Holliday
Councillor Liz Hooper
Councillor Michael Illman
Councillor Gordon Jackson
Councillor Jennifer Jordan
Councillor Nigel Kearse
Councillor Sheila Kirkland
Councillor Nigel Manning
Councillor Bob McShee
Councillor Mike Parsons
Councillor Dennis Paul
Councillor Mike Piper
Councillor David Quelch
Councillor Jo Randall
Councillor Iseult Roche
Councillor Tony Rooth
Councillor Matt Sarti
Councillor Paul Spooner
Councillor James Walsh
Councillor David Wright

AGAINST:

Councillor Susan Parker

ABSTAIN:

Councillor Angela Goodwin
Councillor David Goodwin
Councillor Gillian Harwood
Councillor Liz Hogger
Councillor Mike Hurdle
Councillor Julia McShane
Councillor Tony Phillips
Councillor Caroline Reeves
Councillor Pauline Searle

CO89 COMMUNITY GOVERNANCE REVIEW OF NORMANDY PARISH - FINAL REPORT

The Council considered a report setting out the results of a public consultation on the community governance review in respect of Normandy Parish Council, specifically the proposal for an increase in the number of elected parish councillors from the present number of seven to nine. The report had also set out the criteria that the Council must consider when determining a community governance review, notably, that the Council's recommendations should provide effective and convenient governance and reflect the interests of the local community.

The report also included a set of recommendations and options to enable the Council to determine the community governance review in accordance with the Local Government and Public Involvement in Health Act 2007 and government guidance.

Upon the motion of the Deputy Leader of the Council, Councillor Matt Furniss, seconded by the Leader of the Council, Councillor Paul Spooner, the Council

RESOLVED:

- (1) That, taking account of the statutory considerations, the Council approves:
 - (a) an increase in the number of parish councillors to be elected to Normandy Parish Council from seven to nine with effect from May 2019; and

- (b) the recommendation contained in the terms of reference for the review that no other changes should be made to the electoral arrangements for Normandy Parish Council.
- (2) That the Democratic Services Manager be authorised:
- (a) to make a community governance reorganisation order under Section 86 of the Local Government and Public Involvement in Health Act 2007 (“the 2007 Act”) to give effect to the increase in the number of parish councillors to be elected to Normandy Parish Council from seven to nine with effect from May 2019, together with all necessary incidental, consequential, transitional or supplementary provisions as may be required to give full effect to the order; and
- (b) as soon as practicable after the community governance reorganisation order has been made, to inform the appropriate authorities as set out in paragraph 10.5 (ii) of the report submitted to the Council.

Reason:

To address the community governance petition received in respect of this matter with a view to ensuring that community governance within the area under review is:

- reflective of the identities and interests of the community in that area; and
- effective and convenient.

CO90 TAXI AND PRIVATE HIRE LICENSING POLICY - CARD PAYMENTS IN TAXIS

The Council considered a report on the outcome of a consultation on the proposed changes to the Taxi and Private Hire Licensing Policy to help customers access the taxi service and prevent crime through the introduction of a requirement that all hackney carriages have the facility to accept payments by credit/debit card from 1 April 2019.

The Council noted that the Licensing Committee, at its meeting on 17 January 2018, had also considered the report and had endorsed the recommendation therein.

Upon the motion of the Lead Councillor for Licensing and Community Safety, Councillor Graham Ellwood, seconded by the Chairman of the Licensing Committee, Councillor David Elms, the Council

RESOLVED:

That the Council, having considered the responses received to the proposed changes to the taxi and private hire licensing Policy during public consultation, adopts the changes to the Policy requiring taxis to accept credit/debit card payments, including the facility to accept contactless payments by 1 April 2019.

Reason:

To improve safety and access to the licensed hackney carriage service.

CO91 TAXI AND PRIVATE HIRE LICENSING POLICY - CHANGES TO CONVICTIONS POLICY AND PREVENTION OF CHILD SEXUAL EXPLOITATION

The Council considered a report setting out details of the consultation process and responses received in connection with the proposed changes to the Taxi and Private Hire Licensing Policy to help prevent the sexual exploitation of vulnerable children and adults by introducing consistent standards across Surrey.

Councillors noted that the consultation responses for both Guildford and across Surrey were largely in favour of both the proposals.

The key changes were:

- To adopt a consistent taxi and private hire convictions policy across Surrey
- To introduce mandatory Child Sexual Exploitation (CSE) training for all taxi and private hire drivers in Surrey

The Council noted that the Licensing Committee, at its meeting on 17 January 2018, had also considered the report and had endorsed the recommendations therein.

Upon the motion of the Lead Councillor for Licensing and Community Safety, Councillor Graham Ellwood, seconded by the Chairman of the Licensing Committee, Councillor David Elms, the Council

RESOLVED:

- (1) That the revised Taxi and Private Hire Convictions Policy, as set out in Appendix 3 to the report submitted to the Council, be adopted in place of the convictions policy set out in Appendix 2 to the Taxi and Private Hire Policy 2015-2020.
- (2) That the requirement for all existing taxi and private hire drivers to undertake mandatory Child Sexual Exploitation training by 1 May 2019, be approved.
- (3) That the requirement for all new taxi and private hire drivers to undertake mandatory Child Sexual Exploitation training from 11 April 2018, be approved.

Reason:

To help protect vulnerable children and adults from sexual exploitation.

CO92 DESIGNATION OF MONITORING OFFICER

The Council considered a report on the proposed formal designation of the new Council Solicitor, Robert Parkin, as Monitoring Officer.

Robert Parkin withdrew from the meeting whilst this matter was being considered.

Upon the motion of the Deputy Leader of the Council, Councillor Matt Furniss, seconded by the Leader of the Council, Councillor Paul Spooner, the Council

RESOLVED:

That Robert Parkin be designated as the Monitoring Officer for the Council with immediate effect.

Reason:

To comply with the requirements of the Local Government and Housing Act 1989 (as amended).

CO93 MINUTES OF THE EXECUTIVE

The Council received and noted the minutes of the meetings of the Executive held on 20 and 28 November 2017, and 2 January 2018.

CO94 EXCLUSION OF THE PUBLIC

Upon the Motion of the Mayor, Councillor Nigel Manning, seconded by the Deputy Mayor, Councillor Mike Parsons, the Council

RESOLVED:

That under Section 100A(4) of the Local Government Act 1972 (as amended), the public be excluded from the meeting for consideration of the following Item of business on the grounds that it involved the likely disclosure of exempt information, as defined in paragraphs 1 and 4 of Part 1 of Schedule 12A to the Act.

CO95 TERMINATION OF EMPLOYMENT OF HEADS OF SERVICE

Councillors were reminded of the requirements of the Council's current 2017-18 Pay Policy Statement, and the 2018-19 Pay Policy Statement approved earlier in the meeting, which stated that:

' any proposal to make a termination payment of £95,000 or more will be referred to the Council for approval before any offer is confirmed....In the event of such a payment being proposed, a detailed breakdown of the components (for example redundancy, pension, pension strain, voluntary payments, outstanding holiday, pay in lieu of notice and any other contractual payments) will be provided for councillors.'

These provisions were in accordance with the requirements of the Public Sector Exit Payment Regulations 2016.

The Council considered a report setting out the proposed payments that the Council was required to make in respect of the redundancies of the two of the three remaining Heads of Service. The report also set out the context in which these proposals were being made, namely the recent senior management restructure.

Councillors noted that net savings resulting from the restructure were £307,833.

In considering the proposals, the Council placed on record its grateful thanks to the two officers for their dedicated service to the Council over many years and wished them well in the future.

Upon the motion of the Leader of the Council, Councillor Paul Spooner, and seconded by the Deputy Leader of the Council, Councillor Matt Furniss, the Council,

RESOLVED:

That the proposed termination packages associated with the redundancies of the officers referred to in the report submitted to the Council, be approved.

Reason:

To enable a senior management team restructure.

CO96 COMMON SEAL

The Council

RESOLVED: That the Common Seal of the Council be affixed to any documents to give effect to any decisions taken by the Council at this meeting.

The meeting finished at 9.08 pm

Signed
Mayor

Date