

11 NOVEMBER 2021

JOINT EXECUTIVE ADVISORY BOARD

11 November 2021

- * Councillor Angela Goodwin (Chairman)
- * Councillor Ruth Brothwell (Vice-Chairman)

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| * Councillor Paul Abbey | * Councillor Bob McShee |
| * Councillor Jon Askew | * Councillor Masuk Miah |
| Councillor Christopher Barrass | * Councillor Ramsey Nagaty |
| Councillor Richard Billington | * Councillor George Potter |
| Councillor Dennis Booth | * Councillor Jo Randall |
| * Councillor Colin Cross | * Councillor Tony Rooth |
| * Councillor Graham Eyre | * Councillor Will Salmon |
| * Councillor Andrew Gomm | * Councillor Pauline Searle |
| * Councillor Angela Gunning | Councillor Fiona White |
| Councillor Steven Lee | * Councillor Catherine Young |
| * Councillor Ann McShee | |

* Present

Councillors Tim Anderson, Joss Bigmore, John Redpath and Maddy Redpath were also in attendance.

39 ELECTION OF CHAIRMAN FOR THE MEETING

The Joint Executive Advisory Board (EAB)

RESOLVED

that Councillor Angela Goodwin be elected as Chairman for this meeting.

40 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillors Christopher Barrass, Steven Lee and Fiona White. There were no substitutions.

41 LOCAL CODE OF CONDUCT AND NOTIFICATION OF DISCLOSABLE PECUNIARY INTERESTS

There were no declarations of disclosable pecuniary or non-pecuniary interests.

42 MINUTES

The minutes of the meeting of the Joint EAB held on 20 September 2021 were confirmed as a correct record, and would be signed by the Chairman at the earliest opportunity.

43 GENERAL FUND DRAFT BUDGET 2022-23 AND MEDIUM TERM PLAN 2022-23 TO 2025-26

Having received an introductory presentation from the Resources Director and supporting comments from the Lead Councillor for Resources and the Leader of the Council at its meeting held on 11 November 2021, the Joint Executive Advisory Board (EAB) considered the General Fund Draft Budget 2022-23 and Medium Term Plan 2022-23 to 2025-26 report.

The following points arose from related questions, comments and discussion:

11 NOVEMBER 2021

1. The Resources Director was familiar with the draft budget of Waverley Borough Council (WBC) and regularly liaised with her equivalent colleague at that Council. The main differences between the budgets of this Council and WBC were that the latter outsourced many of its services, resulting in high non-staff contract costs, whilst Guildford provided more in-house services, leading to greater direct employee salary costs. Guildford also provided more community and cultural services and its budget reflected this. A specific budgeting difference between the Councils was that Guildford did not show the percentage of Benefit Subsidies received from the Government to fund benefits paid to claimants as this was passported to claimants and not retained by the Council. However, the Council did receive a benefit administration grant of approximately £230,000 from the Government.
2. Although the pre-planning application advice service had been suspended owing to staffing pressures resulting from a significant increase in the number of householder planning applications received, the Planning Team had now been strengthened and consideration was being given to resuming the service as it provided an income stream and led to an improvement in the quality of applications submitted. In common with other district and borough councils across the country, Guildford found that the planning service did not cover its costs and needed to be subsidised by other services. Government lobbying on a national scale was taking place with a view to securing reform to allow councils greater freedom and flexibility to raise fees to recoup costs.
3. The pay claim received by the Council from Unison requesting a 10% increase in pay over a 3 year period to address the pay restraint in the public sector over the last decade was supported to overcome recruitment issues, particularly in the light of the Future Guildford programme.
4. With regard to G Live and the Spectrum, both venues had re-opened fully in line with the Government's Covid-19 roadmap. The contract in respect of G Live had been extended for a further three years and a reduction of approximately £300,000 in the management fee paid by the Council had been negotiated. At the expiry of the contract in 2024, when the market was expected to have recovered, a full tendering process would be pursued with a view to improving the Council's financial return. The Spectrum contract, which expired this year, had been extended for two years to October 2023 resulting in a reduction in the Council's management fee income in the region of £260,000. A range of future delivery models, including a possible joint procurement with WBC or the establishment of a Guildford leisure management trust, were being considered by a project team.
5. As part of the operational assets review, one strand of the Savings Strategy, consideration was being given to utilising office space at the Millmead complex freed by home working to generate income whilst the medium to long term picture was deliberated. Contracts had recently been signed in respect of the lease of office space in Old Millmead House whilst the kitchen area in New Millmead House had been leased to a charitable community organisation, FoodWise.
6. The Government's general Covid-19 grant did not fund all of the Council's pandemic related costs, which occurred in the areas of sales, fees and charges in relation to Leisure Services in particular. The Council had been expected to cover the first 5% of any loss against its budget and also 25% of any lost income over that 5%, the remainder of which was compensated by the Government. However, the Government had also allocated other more specific grants which related to homelessness, isolating, vulnerable people and food parcels in addition to the Contain Outbreak Management Fund towards restrictions in the area.
7. Further to the Strategy and Resources EAB's conclusion at its meeting held on 11 October 2021 that it had not been presented with sufficient information to endorse the recommended Option in the Citizens' Advice Bureau (CAB) savings mandate, the Executive had been provided with additional benchmarking information which would be circulated to the Joint EAB. This information, which included the number of paid staff,

11 NOVEMBER 2021

the amount of clients and the total expenditure, had been obtained from the published statement of accounts for each of the CABs. The benchmarking indicated that the expenditure per client by Ash and Guildford CABs was greater than comparative CABs across Surrey and that this Council provided a higher level of funding than most other local authorities in the County, particularly as there were two CABs in the Borough. However, it was for CABs to decide how they wished to present information and different reporting methods could lead to anomalies in client numbers. All representations would be taken into account.

8. In terms of realising the savings to be generated from collaboration with WBC, the joint Chief Executive Officer had been appointed leading to a cost reduction. Business cases would be developed in respect of future stages of collaboration to balance the savings against costs of transformation. The following stage was expected to be the appointment of a joint senior management team which would require structure and staffing consultations and it was anticipated that related savings could be achieved from 2022/23.
9. Although the last multi-year settlement from the Government had proposed a negative Revenue Support Grant, this had been delayed on several occasions and could be subsumed into the Fair Funding Review or an alternative national local government funding review, involving Business Rates retention, as proposed prior to Brexit and Covid-19. However, the Government was currently focusing on its 'Levelling Up' agenda following the introduction of the Department for Levelling Up, Housing and Communities and was likely to seek some form of resource reallocation across the country. The Local Government Finance Settlement would confirm the Government's intentions in this regard.
10. The introduction of a town council covering the unparished Guildford urban area was suggested as a means to raise revenue to fund the Cultural and Heritage services and other service provision focused on the town centre, which was currently funded by the Borough Council to the possible detriment of residents living in outlying parts of the town and Borough. The suggestion was supported by councillors who felt that the matter should be explored to determine the advantages and disadvantages of establishing a Guildford town council. In response, the Leader of the Council requested that the Joint EAB clearly specify the scope of the review it was recommending given the need for efficiencies and the effective use of officers' time.
11. The Joint EAB was advised that parish and town councils were not currently subject to a 2% Council Tax cap as was the case with district and borough councils. However, the Government reserved the right to cap excessive increases in precept at parish and town level. It would not be appropriate to create a town council and allocate it additional Council Tax raising powers over its local borough council. In the event that a town council was created, the borough council would transfer the relevant services and budget to the town council and reduce its own Council Tax accordingly. Therefore Council Tax adjustments would need to be made in such circumstances. In the event of district / borough councils becoming unitary authorities, a Council Tax rationalisation would also be required.
12. The Community Services mandate was due to be considered by the Service Delivery EAB on 13 January 2022. Although Community Services was a theme in the Savings Strategy, it would not be included in the draft budget until it had been considered by the EAB and further work had been undertaken.
13. An updated version of the proposed Park and Ride savings mandate would be submitted to a future EAB meeting for further consideration. A working group was currently considering the Park and Ride service, which was a county function operated by this Council on behalf of Surrey County Council. The proposed saving was likely to consist of closing one of the Park and Ride sites or generating additional income. It was suggested that the Council could utilise land in its ownership to offer a service at a reduced cost following the closure of one of the existing sites.

11 NOVEMBER 2021

14. The ICT costs in the draft budget related to this Council and its systems only and any additional costs, or savings, associated with the WBC collaboration were yet to be determined.
15. Although it was suggested that the car parks maintenance reserve could be reduced to achieve a saving, the Joint EAB was advised that the car parks inspection routine and maintenance fund reflected the importance of related health and safety requirements.
16. With regard to the impact of Covid-19 on local tourism, the amount of income lost by the Council in relation to charging the Tourist Information Centre for bookings and box office could be quantified. During the previous year the Council had allocated £43million in Business Rate Relief from the Government to local businesses and during the current year this amount had reduced to 50% relief. Interested councillors were advised to contact the Lead Councillor for Economy for an update in respect of initiatives being pursued by shops and businesses to boost the local economy.
17. Further information in relation to the operational assets review, particularly in relation to the Lockwood Centre at Slyfield, was sought in response to requests from local organisations, mainly charities, for accommodation from which to deliver services to residents. Councillors were advised that the review was currently focusing on the Millmead mandate and that other property assets would be reviewed in due course. In this connection, it was suggested that, in the event of the need to reduce grants to organisations in receipt of financial support from the Council, spare office accommodation at Millmead could possibly be offered to such organisations free of charge in lieu of funding. However, this scenario would need to be balanced against the Council's need to maximise its income.
18. The pie charts contained in the presentation were considered to be useful and it was requested that they be published on the Council's website for residents' information once the budget had been set.

The Resources Director and her team were thanked for their work involved with the preparation of the draft budget, which had been clearly presented, and the Joint EAB expressed its gratitude to the Director and Lead Councillors for the full and informed responses to their questions.

The meeting finished at 8.56 pm

Signed Date
Chairman