

OVERVIEW AND SCRUTINY COMMITTEE – RESOURCES

11 July 2024

* Councillor Philip Brooker (Chair)

* Councillor Dominique Williams (Vice-Chair)

Councillor Phil Bellamy	* Councillor Vanessa King
Councillor Dawn Bennett	Councillor Masuk Miah
Councillor Honor Brooker	* Councillor Richard Mills OBE
* Councillor Jason Fenwick	Councillor Katie Steel
* Councillor Stephen Hives	Councillor Sue Wyeth-Price

*Present

Councillors Catherine Houston (Lead Councillor for Commercial Services), Richard Lucas (Lead Councillor for Finance and Property), Julia McShane (Leader of the Council and Lead Councillor for Housing), and Carla Morson (Lead Councillor for Community and Organisational Development) were also in attendance, with Councillors Angela Goodwin (Lead Councillor for Engagement and Customer Services), George Potter (Lead Councillor for Environment and Climate Change), Merel Rehorst-Smith (Lead Councillor for Regulatory and Democratic Services), and Fiona White (Lead Councillor for Planning) in remote attendance.

OSR6 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

The Committee was advised of apologies from Councillors Phil Bellamy, Honor Brooker, Masuk Miah, and Katie Steel. Councillors Bilal Akhtar and Joanne Shaw attended as substitutes for Councillors Honor Brooker and Phil Bellamy respectively.

OSR7 LOCAL CODE OF CONDUCT AND DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS

There were no disclosures of interests.

OSR8 MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 4 June 2024 were approved.

OSR9 DEVELOPMENT OF A NEW CORPORATE STRATEGY (2024-2034)

The Lead Councillor for Community and Organisational Development introduced the item. She indicated that the draft Corporate Strategy was the result of several months of work by the Executive and officers. The Lead Councillor for Community and Organisational Development advised the meeting that the Strategy was the key strategic document for the Council and set out the Council's priorities for the next 10 years and provided a focus for all the Council's work. She indicated that central to the new Strategy was the vision 'To make Guildford borough a thriving place to live, work and do business.'

The Lead Councillor for Community and Organisational Development gave an overview of the Strategy's five key priorities: a more sustainable Borough, a more prosperous Borough, a more inclusive Borough, decent and affordable homes, and a resilient and well-managed Council. The Committee was informed that the version of the Strategy circulated to the Committee for comment was in draft form, with elements such as the design and photography to be finalised. The Lead Councillor for Community and Organisational Development confirmed that feedback from both of the Council's overview and scrutiny committees would be considered by the Executive on 15 July and the adoption of the Strategy would be determined by full Council on 23 July.

The Chief Executive Officer thanked the officers who had helped prepare the draft Corporate Strategy. He advised the Committee of the planned delivery of the Strategy and its link to the Council's budget setting process, together with how the Strategy would inform individual service delivery and form the basis for individual staff objectives and annual appraisals.

The Chief Executive Officer advised that implementation of the delivery plan would be tracked at the corporate level through the quarterly Corporate Performance Report, which both overview and scrutiny committees would review. He stated that the Council's suite of key performance indicators was being refreshed ahead of the Quarter One report to ensure alignment with the priorities set out in the draft Strategy.

The Chief Executive Officer stated that a Guildford-based graphic design company was undertaking the design of the Strategy document.

During the ensuing discussion, Councillors raised a number of queries and made suggestions to improve the draft Strategy:

- In response to a question on possible extra staffing capacity for the Council's organisational development service, the Chief Executive Officer advised the Committee that this would be unknown until the budget setting process and the allocation of resources had occurred.
- A member of the Committee asked for details of the communications and consultations planned to engage with local community groups. The Chief Executive Officer referred to the importance of residents being able to engage with the Council and stated that the process of engagement was central to the development of the corporate delivery plan. He indicated that efforts would be made to reach seldom heard groups as part of future consultations.
- A member of the Committee indicated that the evidence and analysis behind the draft Strategy was not provided in the report submitted to the Committee and there was a consequent difficulty for the Committee in evaluating the proposed Strategy. In addition, he suggested that the draft Strategy should better recognise and acknowledge the problems and challenges facing the Borough. The Councillor for Community and Organisational Development indicated that the Executive knew of the challenges facing the Borough. She stated that the detailed delivery plan, that would be developed following adoption of the Strategy, would address how these challenges would be met. In response, the member of the Committee suggested that the options for dealing with the challenges confronting the Borough might usefully have been discussed with the Committee members.
- The Chief Executive Officer informed the meeting that the five priorities within the draft Strategy were the result of an analysis of the problems facing the Borough. He stated that the need to address certain challenges was implicit in the way in which the priorities within the draft Strategy were set out. The Chief Executive Officer advised that further analysis would inform the decisions to achieve the aims of the Strategy. A member of the Committee suggested the draft Corporate Strategy was a vision document more than a strategy.

- The Chair suggested the need for further information and details in order to assess the Council's progress in delivering its Corporate Strategy. He proposed that each recommendation or action stated in the annual corporate delivery plan should be accompanied by a base starting point, details of how and what would be done to carry out the proposed action, the cost and source of funding, and the timeframes until completion. The Lead Councillor for Community and Organisational Development informed the meeting that the content and format of the delivery plan had yet to be determined, but the ability to assess progress was recognised as essential and the Chair's comments would be taken into consideration by the Executive.
- In reply to a question, the Chief Executive Officer advocated the value in proposing a long-term Corporate Strategy; he indicated that decisions to deliver a ten-year strategy would be taken from a different viewpoint than decisions framed within a shorter-term strategy.
- The Chief Executive Officer advised the meeting that future allocations of resources and budget setting should be judged against the Council's strategic objectives and priorities. He confirmed the role of the Council's overview and scrutiny function, residents, and businesses in the scrutiny of the annual delivery plans for the Corporate Strategy.
- In response to a concern raised about air quality monitoring at sensitive sites such as schools and hospitals, the Corporate Strategy and Performance Manager advised that monitoring took place at such locations. He confirmed that there were three Air Quality Management Areas (AQMAs) in the Borough: Guildford town centre, The Street Shalford, and The Street Compton.
- In response to a query from a Committee member, the Policy Officer, Strategy and Performance, confirmed that Sandfield Primary School was not within the Guildford town centre AQMA.
- With reference to the priority of becoming a more prosperous Borough, a member of the Committee noted that Guildford Borough was a major centre for innovation, notably through Surrey Research Park, and suggested this might be reflected in the Strategy. In reply, the Lead

Councillor for Community and Organisational Development thanked the Councillor for his suggestion.

- A Committee member noted the value in taking a long-term, strategic view of the options for managing the Council's housing stock.
- In response to a question, the Lead Councillor for Community and Organisational Development advised that the review of IT strategy referenced within the draft Strategy included the Council's website.
- A member of the Committee noted the scale and importance of the Council's collaboration with Waverley Borough Council and observed that consideration of the end purpose for the initiative was required. The Chief Executive Officer advised that a revisited cost-benefit analysis of the collaboration was being undertaken for publication by the end of the summer.

RESOLVED: (I) That the work undertaken so far in developing the new Corporate Strategy be noted.

(II) That the draft minutes of the Committee meeting be provided to the Executive before it considers whether to recommend the adoption of the new Corporate Strategy to full Council on 23 July 2024.

OSR10 MEDIUM TERM FINANCIAL PLAN UPDATE

The Lead Councillor for Finance and Property introduced the item, advising the meeting of the financial progress achieved over the previous twelve months.

The Assistant Director, Finance, contrasted the Council's current position to the Council's financial situation when the Budget for 2024-25 was set. The meeting was reminded that the Medium-Term Financial Plan (MTFP) update report provided detail of the process for developing the 2025-26 Budget and MTFP. The Assistant Director, Finance, advised that the unaudited draft accounts for 2023-24 had been published by the statutory deadline of 31 May. She referred to the adverse and positive variances in the budget outturn for 2023-24 and advised that a more detailed report of the key variances would be provided to the Committee's September meeting. The Assistant Director, Finance, referred to the use of £1m of the General Fund underspend on one-off expenditure, and the breakdown of usable reserves and usable but earmarked reserves within the report.

The Committee was informed that since publication of the draft accounts for 2023-24 the Council had received a £3.8m VAT refund from HMRC which would significantly improve the reported outturn figures.

The Assistant Director, Finance, summarised the funding assumptions, economic outlook, ongoing and one-off budget changes, and budget timetable as presented in the report submitted to the Committee.

The Chair questioned why only one of the four financial reports scheduled for the meeting had been submitted. The Assistant Director, Finance, apologised and advised that the three reports outstanding would be provided to the next meeting of the Committee.

In response to questions, the Assistant Director, Finance, undertook to provide financial training for Committee members. In addition, she advised the Committee of plans for IT renewals and the requirement to replace car park machinery.

In reply to questions, the Assistant Director, Finance, explained the background to the £3.8m VAT refund from HMRC. The Lead Councillor for Finance and Property stated that the Council was £300m in debt and, assuming successful implementation of the asset disposal programme, was projected to be £450m in debt by the end of the decade.

In reply to a query about uncovering further efficiency gains in services, the Lead Councillor for Finance and Property indicated that much of the financial recovery plan was based on finding efficiency gains. He stated that many opportunities for better ways of working would arise from the Council's partnership with Waverley Borough Council.

A member of the Committee asked how likely improvements were in the adverse key variances identified in the report. The Assistant Director, Finance, indicated that there were plans to minimise or reduce adverse key variances going forward.

In reply to questions from the Chair, the Assistant Director, Finance, clarified that the £2.3m deficit from 2023-24 did not get rolled forward, confirmed the £4.1m underspend on the General Fund, and explained the difference between

usable reserves in the General Fund that could be re-prioritised by the Council and reserves in the General Fund that were earmarked for a particular purpose. The Assistant Director, Finance, confirmed that the ongoing cost of £95k for the appointment of the Head of Business Improvement was funded from savings on an insurance contract renewal and a salaries underspend. She indicated that the insurance contract savings were recurring rather than a one-off.

RESOLVED: That the updated MTFP position be noted.

The meeting finished at 8.23 pm

Signed

Date

Chair