

Guildford Borough Council Management Responses.

Financial Sustainability

Key Recommendation 1

The Council has already taken steps to implement a financial recovery plan.

Key Recommendation 2

Specialist leadership, skills and resources have been employed to support both the financial leadership and the day to day running of the team. These will be employed until a finance restructure is implemented ensuring appropriate skills are available now and for the future.

Improvement Recommendation 1

The directors of NDH commissioned a report in early 2023 regarding options for the future of the company. These included options for further investment and potential winding up of the company.

The Council did not take action to wind up the company in 2023-24 as the options would have meant a further hit on council reserves. In 2023-24, all charges to NDH were levied and paid, including the SLAs, repairs and maintenance undertaken by the depot and interest on the loan. The end of year valuation has shown a significant increase in the value of the portfolio.

An updated viability assessment has been commissioned in July 2024 by the Council to look at short-term and long-term options from the Council's perspective. All units are currently let and the company is trading on a break-even basis.

Improvement Recommendation 2

In setting the budget for 2024-25, the workforce establishment has been fully reviewed and budgets set upon that basis. This means that the establishment is now properly understood and changes can be accurately controlled.

As part of the Corporate Strategy, we have committed to developing a People Strategy for Autumn 2024. This is currently drafted and going through consultation.

Governance

Key Recommendation 3

The 2022-23 accounts have been thoroughly reviewed and updated.

The 2021-22 accounts will be updated to reflect changes from the 2020-21 audit and ensure consistency of balances but that will be the limit of work done as they will now be backstopped.

Quality working papers are now being produced to support the financial statements as part of closedown processes.

Key Recommendation 4

All balances will be checked for consistency from the finalised 2020-21 accounts to date.

Improvement Recommendation 3

Benefit fraud is reported to Single Fraud Investigation Service from the finance specialists with Revenues & Benefits. We work closely to support requests for evidence from DWP where they have identified potential fraud within one of its benefits and asks us for information.

Improvement Recommendation 4

As part of the governance improvements emanating from the Corporate Improvement Plan, the Scheme of Delegation, Finance and Contract Procedure Rules, Member / officer protocol, Anti-fraud and Corruption Policy and Whistleblowing policies have all been updated. They will now be reviewed on an annual basis.

Improving economy, effectiveness, and efficiency.

Improvement Recommendation 5

KPIs have continued to be reported to the Overview and Scrutiny Committee. They are now being reviewed and will be reported to the new Services Overview and Scrutiny Committee on a quarterly basis. Financial KPIs will be reported to the new Resources Overview and Scrutiny Committee.

Improvement Recommendation 6

As part of our Corporate Strategy work, we have reviewed our current strategies and identified a number of strategies that need to be developed and

implemented. Currently, services are developing a data strategy. Our next steps will be to establish timelines for this strategy coming forward for development and approval and will form part of our Delivery Planning work for 25-26 and beyond.

Improvement Recommendation 7

As part of the review of the Constitution and Scheme of Delegation, Contract Procedure Rules have been updated and aligned with Waverley. An interim Head of Procurement is now in post and leading the work to update the Procurement Strategy, get the contract database up to date, and prepare for the launch of the new Procurement Act. A joint procurement team is also being established covering the requirements for Guildford and Waverley Councils. Procurement and contract management training are being delivered for officers and members to help embed the new working arrangements.