

OVERVIEW AND SCRUTINY COMMITTEE – RESOURCES

21 January 2025

* 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 Richard Lucas (Lead Councillor for Finance and Property) and Julia McShane (Leader of the Council and Lead Councillor for Housing) were also in attendance, with Councillors Angela Goodwin (Lead Councillor for Engagement and Customer Services), James Jones, Carla Morson (Lead Councillor for Community and Organisational Development), and Fiona White (Lead Councillor for Planning) in remote attendance.

OSR37 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

The Committee was advised of apologies from Councillors Phil Bellamy, Richard Mills, Dominique Williams, and Sue Wyeth-Price.

OSR38 LOCAL CODE OF CONDUCT AND DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS

There were no disclosures of interest.

OSR39 MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 14 January 2025 were approved.

OSR40 GENERAL FUND REVENUE BUDGET 2025-26 AND MEDIUM-TERM FINANCIAL PLAN 2026-27 TO 2028-29

The Joint Strategic Director For Finance and Resources informed the meeting that the Budget reports submitted to the Committee would be considered by the Executive on 23 January and then by full Council on 5 February. He

indicated that the item was an opportunity for the Committee to give feedback to be considered by the Executive.

The Joint Strategic Director For Finance and Resources noted the importance of the revenue budget to the setting of the Council's budget for 2025-26. He advised the Committee of the finance settlement received from the government and indicated that the Council would have to pay for some of the national insurance increases faced by every employer. The Joint Strategic Director For Finance and Resources outlined the Council's budget preparation process and the actions taken during the previous 8-9 months. With reference to the section 25 report within the papers submitted to the Committee, the Joint Strategic Director For Finance and Resources advised that the Council's reserves and balances were sufficient to deal with known risks.

The Lead Councillor for Finance and Property praised the work of officers involved in the Council's budget process.

In response to a question from a member of the Committee on match funding for Guildford Philanthropy and other forms of community giving, the Assistant Director of Finance advised that the Budget proposed to maintain most community grants. With reference to the budget gap of £2.6m for 2026-27, she advised that community grants were to be reviewed.

In reply to a question on Streetscene related penalties within the report submitted to the Committee, the Assistant Director of Finance undertook to provide the information to Committee members in writing.

The Chair indicated his support for a balanced budget and thanked all the officers and Councillors involved in its preparation.

OSR41 GENERAL FUND CAPITAL BUDGET 2025-26 TO 2028-29

The Joint Strategic Director for Finance and Resources informed the meeting that the capital strategy and the investment strategy had been agreed by full Council in December 2024. He indicated that the report submitted to the Committee contained the complete capital programme, rather than an approved programme and a provisional programme as in previous years. The Joint Strategic Director for Finance and Resources advised that any funding from external sources was shown against the relevant scheme and that the

impact on the Council's borrowing requirement was presented on a year by year basis.

The Lead Councillor for Finance and Property suggested the importance of work undertaken to consolidate and simplify the reporting of the Council's capital programme.

In reply to a question about the allocation of £4m for the refurbishment of the York Road Homeless Hub, the Joint Strategic Director for Finance and Resources advised that the figure was a rough estimate. He indicated that the initial feasibility work for the project would be funded by Surrey Empty Homes and that a business case and proposal would be prepared and available to scrutinise.

OSR42 HOUSING REVENUE ACCOUNT (HRA) BUDGET 2025/26

The Joint Strategic Director for Finance and Resources introduced the report submitted to the Committee. He advised that the Housing Revenue Account (HRA) budget dealt with the running of the Council's social housing provision and was ring-fenced from the Council's General Fund. He informed the Committee that feedback from a recent update of the HRA's 30-year business plan by Savills was that Guildford's was one of the healthiest HRAs within the country. He advised that the HRA generated more money in terms of rental income than it had to fund in terms of costs every year and confirmed that the proposed rent increases of 2.7% were in line the October 2024 RPI.

A member of the Committee asked for an explanation of the rent increase of 2.7% and the garage rent increase of 5%. He questioned if people who lived outside the locality should not pay more to rent a garage than those who lived locally. In reply, the Joint Strategic Director for Finance and Resources informed the Committee that 2.7% was the maximum increase permitted under the Government's rate cap. The Leader of the Council and Lead Councillor for Housing indicated that Committee members would be provided with information relating to the proposed increase in garage rents.

In reply to a question on Right to Buy (RTB) sales, the Assistant Director of Finance explained that the changes to the RTB scheme announced in the October Budget, notably the size of the discount available to tenants, had prompted an increase in RTB enquiries. She advised that there were approximately fifteen RTB applications expected to go ahead in the current

year. The Assistant Director of Finance indicated that further information could be provided to Committee members.

In response to a question about forecast reserves, the Joint Strategic Director for Finance and Resources informed the Committee that the recently updated 30-year business plan contained projected reserves and that it could be provided to Committee members.

A member of the Committee questioned why the percentage changes for HRA fees and charges varied between +32.08% and -25.16% and, in particular, why service charges in supported housing had variances of -£16.35 to +£24.16. In response, the Joint Strategic Director for Finance and Resources advised that service charges were based upon cost recovery of specific properties and suggested that the peak in electricity and gas prices of 18 months ago was working its way into the system. He indicated that information on individual HRA fees and charges could be provided if requested.

The Chair thanked officers and Councillors for attending.

OSR43 COMMITTEE WORK PROGRAMME

RESOLVED: That the work programme in the report submitted to the Committee be approved.

The meeting finished at 7.28 pm

Signed

Date

Chair