

EXECUTIVE

THURSDAY, 27TH OCTOBER, 2022

SUPPLEMENTARY INFORMATION SHEET

Agenda No Item

11. **Supplementary Information Sheet**

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Executive

27 October 2022

Supplementary Information

Procedure for the discharge of business at this meeting

The Leader of the Council welcomes the attendance of members of the public and non-Executive councillors at this meeting.

The procedure for dealing with each item of business shall be as follows:

1. Lead Councillor to introduce report on the matter
2. Non-Executive councillors invited to ask a question or comment, for which they will have a maximum of **five** minutes each
3. Lead councillor to respond to any questions/comments
4. Executive debates the matter
5. Lead councillor to respond to any questions/comments
6. Executive to make decision on the matter

AGENDA ITEM 5: TO CONSIDER ANY RECOMMENDATIONS FROM THE OVERVIEW AND SCRUTINY COMMITTEE (PAGES 13 - 20)

Lead Councillor: Councillor Julia McShane, Leader of the Council

Lead Officer: Ian Doyle, Joint Strategic Director: Transformation & Governance

There are no new recommendations from Overview and Scrutiny Committee for the Executive to consider.

AGENDA ITEM 6: CAPITAL AND INVESTMENT OUTTURN REPORT 2021-22 (Pages 25 - 104)

Lead Councillor: Councillor Tim Anderson, Lead Councillor for Resources

Lead Officer: Peter Vickers, Executive Head of Service: Finance and s.151 Officer

Corrections:

- (a) In the Executive Summary on Page 26, the final sentence of the first paragraph should read:

“At 31 March 2022, the Council held £152 million in investments, £303 million in borrowing of which £147 million is related to the HRA, and £134 million is short term borrowing so net debt of £157 million”.

- (b) Substitute the table in paragraph 3.7 of Appendix 1 (page 53) with the table below:

Gross Debt and the CFR	2021-22 Actual £000
General Fund CFR	157,218
HRA CFR	199,204
Total CFR (at 31 March)	356,422
Gross External Borrowing	(308,735)
Net (external) / internal borrowing position	47,687

- (c) Substitute the graphs in Appendix 6 (pages 85 and 86) with the graphs appended to this Supplementary Information Sheet.

This matter was considered by the Corporate Governance & Standards Committee at its meeting on 29 September 2022. The Committee commended the report to the Executive subject to the various corrections set out on the Supplementary information sheet circulated at the meeting and to the following comments made by the Committee during its debate:

1. A need to ensure that we have up-to-date information on the schedule of investments and the need to review the overall situation in respect of the prudence of investments in other local authorities.
2. Clarification was sought as to the position in respect of reviewing existing investments.
3. In relation to the proposed schemes that had been recommended for removal from the capital programme, concern was expressed in respect of two of the schemes, which sought to address flooding issues, that insufficient information had been provided to justify their removal.

**AGENDA ITEM 7: HOUSING REVENUE ACCOUNT - REVENUE OUTTURN REPORT 2021-22
(Pages 105 - 116)**

Lead Councillor: Councillor Julia McShane, Leader of the Council & Councillor Tim Anderson, Lead Councillor for Resources

Lead Officer: Peter Vickers, Executive Head of Service: Finance and s.151 Officer

- (a) Substitute the table in paragraph 5.2 (page 105) with the table below.

	Balance 01 April 2021	Transfer in 2021-22	Used in 2021-22	Balance 31 March 2022	Proposed transfer in 2021-22	Closing balance 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Reserve for future capital works	38,328	0	0	38,328	2,500	40,828
New build reserve	59,383	0	-3,824	55,559	7,839	63,398
Major Repairs Reserve (MRR)	11,876	5,864	-8,153	9,587	0	9,587
Total Earmarked Reserves	109,587	5,864	-11,977	103,474	10,339	113,813
Usable capital receipts (HRA Debt)	4,262	1,017	0	5,280	0	5,280
Usable capital receipts (1-4-1 receipts)	4,526	3,680	-2,980	5,226	0	5,226
Usable capital receipts (housing and regeneration statutory) – Post 2013-14	0	802	-752	50	0	50
Total Capital Receipts Reserves	8,788	5,499	-3,732	10,556	0	10,556

(b) Paragraph 6.10 (page 107) should read as follows:

“The table below sets out the outturn for the headline categories across the HRA. There is a large increase in support costs attributable to the HRA from the GF in the year, due to a review of the recharges apportionment across the Council following implementation of the Future Guildford programme. This will further be reviewed as we progress through the collaboration”.

Table to be revised.

(c) Substitute the following for Appendix 1 (page 113):

HOUSING REVENUE ACCOUNT SUMMARY					
2019-20 Actual £	2020-21 Actual £	Analysis	2021-22 Estimate £	2021-22 Actual £	2021-22 Variance £
		Borough Housing Services			
793,019	727,467	Income Collection	684,649	574,282	37,533
1,164,320	1,158,150	Tenants Services	1,259,070	1,440,296	(301,332)
122,998	125,133	Tenant Participation	117,245	92,308	12,424
107,717	98,978	Garage Management	95,099	82,931	12,168
41,744	20,474	Elderly Persons Dwellings	43,779	18,987	24,792
575,851	354,387	Flats Communal Services	612,026	208,355	401,343
414,254	452,607	Environmental Works to Estates	430,894	405,736	25,158
6,265,983	6,000,709	Responsive & Planned Maintenance	5,857,920	5,673,874	96,155
137,128	107,084	SOCH & Equity Share Administration	150,489	145,593	3,528
9,623,015	9,044,988		9,251,171	8,642,362	311,769
		Strategic Housing Services			
485,497	459,797	Advice, Registers & Tenant Selection	681,991	676,747	(82,714)
201,203	187,927	Void Property Management & Lettings	184,820	164,444	(4,375)
5,120	(61,131)	Homelessness Hostels	5,248	5,120	128
175,717	167,083	Supported Housing Management	157,954	186,518	(53,025)
527,717	484,040	Strategic Support to the HRA	476,346	353,576	122,770
1,395,255	1,237,716		1,506,359	1,386,405	(17,215)
		Community Services			
883,927	828,759	Sheltered Housing	872,642	873,238	(77,213)
		Other Items			
5,640,147	5,686,291	Depreciation	5,528,730	5,864,693	(335,963)
5,059,974	(174,584)	Revaluation and other capital items	0	(1,174,479)	1,174,479
	95,804	Other Items Capital Items	0	163,085	
160,590	217,061	Debt Management	150,000	227,460	(77,460)
36,359	5,985	Other Items	402,380	1,016,671	(614,291)
22,799,267	16,942,018	Total Expenditure	17,711,282	16,999,435	364,105
(32,532,978)	(32,295,620)	Income	(33,732,537)	(32,907,980)	(824,557)
(9,733,711)	(15,353,601)	Net Cost of Services(per inc & exp a/c)	(16,021,256)	(15,908,544)	(460,452)
251,530	284,690	HRA share of CDC	256,800	297,990	(41,190)
(9,482,181)	(15,068,911)	Net Cost of HRA Services	(15,764,456)	(15,610,554)	(501,642)
(598,260)	(11,546)	Investment Income	(598,260)	(105,900)	(492,360)
5,131,995	4,902,208	Interest Payable	5,142,230	4,879,544	262,686
(4,948,446)	(10,178,248)	(Surplus)/Deficit for Year on HRA Services	(11,220,486)	(10,836,911)	(731,315)
67,919	0	REFCUS - Revenue funded from capital	75,000	0	75,000
0	(473,168)	Tfr (fr) to Pensions Reserve	0	(510,826)	510,826
0	0	Tfr (from)/to CAA re: Voluntary Revenue Provision	200,000	0	200,000
0	143,347	Tfr (from)/to CAA re: Revaluation	0	1,147,655	(1,147,655)
0	(64,567)	Tfr (from)/to CAA re: REFCUS	0	(136,260)	136,260
0	0	Tfr (from)/to CAA re: Intangible assets	0	0	0
0	(16,050)	Tfr (from)/to CAA re: rev. inc. from sale of asset	312,292	(3,263)	315,555
(4,880,528)	0	HRA Balance before reserve transfers	(10,633,194)	(10,339,606)	(641,329)
2,500,000	2,500,000	Contrib to/(Use of) RFFC	2,500,000	2,500,000	0
2,380,528	8,088,687	Contrib to/(Use of) New Build Reserve	8,133,194	7,839,606	293,588
0	0	HRA Balance	0	0	(347,741)
(2,500,000)	(2,500,000)	Balance Brought Forward	(2,500,000)	(2,500,000)	0
(2,500,000)	(2,500,000)	Balance Carried Forward	(2,500,000)	(2,500,000)	(347,741)

This matter was considered by the Corporate Governance & Standards Committee at its meeting on 29 September 2022. The Committee commended the report to the Executive subject to the various corrections set out on the Supplementary information sheet circulated at the meeting and to the following comments made by the Committee during its debate:

1. A need to review the way in which we transfer money to different pots of reserves in relation to the HRA
2. emphasis on the importance of making sure we are taking account of climate change impacts particularly in relation to insulation
3. the importance of lobbying government in relation to Right to Buy replacement in the 60/40 split when it comes to the spending of right to buy receipts and
4. concern over implications of an increase in right-to-buy numbers and where it might be heading in the future

AGENDA ITEM 8: GENERAL FUND REVENUE OUTTURN REPORT 2021-22 (Pages 117 - 148)

Lead Councillor: Councillor Tim Anderson, Lead Councillor for Resources

Lead Officer: Peter Vickers, Executive Head of Service: Finance and s.151 Officer

This matter was considered by the Corporate Governance and Standards Committee at its meeting on 29 September 2022. The Committee commended the report to the Executive subject to the following comments made by the Committee during its debate:

1. concern that the focus of achieving the goal of 75% of customer contact being online was at the expense of mainly elderly residents who might only be able to contact the council by more traditional means.

AGENDA ITEM 9: HOUSING INVESTMENT PROGRAMME - ACQUISITION OF LAND AND BUILDINGS FOR THE HOUSING REVENUE ACCOUNT (Pages 149 - 154)

Lead Councillor: Councillor Julia McShane, Leader of the Council

Lead Officer: Matt Gough, Head of Housing (Guildford Borough Council)

AGENDA ITEM 10: FUTURE OF INTERNAL AUDIT (Pages 155 - 266)

Lead Councillor: Councillor Tim Anderson, Lead Councillor for Resources

Lead Officer: Peter Vickers, Executive Head of Service: Finance and s.151 Officer

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