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Contact Officer:

John Armstrong,
Democratic Services and Elections Manager
Tel: 01483 444102

8 November 2023

Dear Councillor

Your attendance is requested at a meeting of the **CORPORATE GOVERNANCE AND STANDARDS COMMITTEE** to be held in the Council Chamber, Millmead House, Millmead, Guildford, Surrey GU2 4BB on **THURSDAY, 16 NOVEMBER 2023 at 7.00 pm.**

Yours faithfully

Tom Horwood
Chief Executive

MEMBERS OF THE COMMITTEE

Chairman: Councillor Phil Bellamy
Vice-Chairman: Councillor Bob Hughes

Councillor Joss Bigmore	*Murray Litvak
Councillor James Jones	^Julia Osborn
Councillor George Potter	^Simon Schofield
Councillor James Walsh	^Tim Wolfenden
Councillor Fiona White	

*Independent member

^ Parish member

Authorised Substitute Members:

Councillor Bilal Akhtar	Councillor Vanessa King
Councillor Honor Brooker	Councillor Richard Mills
Councillor Ruth Brothwell	Councillor Howard Smith
Councillor Amanda Creese	Councillor Katie Steel

WEBCASTING NOTICE

This meeting will be recorded for live and/or subsequent broadcast on the Council's website in accordance with the Council's capacity in performing a task in the public interest and in line with the Openness of Local Government Bodies Regulations 2014. The whole of the meeting will be recorded, except where there are confidential or exempt items, and the footage will be on the website for six months.

If you have any queries regarding webcasting of meetings, please contact Democratic Services.

QUORUM 3

THE COUNCIL'S STRATEGIC FRAMEWORK (2021- 2025)

Our Vision:

A green, thriving town and villages where people have the homes they need, access to quality employment, with strong and safe communities that come together to support those needing help.

Our Mission:

A trusted, efficient, innovative, and transparent Council that listens and responds quickly to the needs of our community.

Our Values:

- We will put the interests of our community first.
- We will listen to the views of residents and be open and accountable in our decision-making.
- We will deliver excellent customer service.
- We will spend money carefully and deliver good value for money services.
- We will put the environment at the heart of our actions and decisions to deliver on our commitment to the climate change emergency.
- We will support the most vulnerable members of our community as we believe that every person matters.
- We will support our local economy.
- We will work constructively with other councils, partners, businesses, and communities to achieve the best outcomes for all.
- We will ensure that our councillors and staff uphold the highest standards of conduct.

Our strategic priorities:

Homes and Jobs

- Revive Guildford town centre to unlock its full potential
- Provide and facilitate housing that people can afford
- Create employment opportunities through regeneration
- Support high quality development of strategic sites
- Support our business community and attract new inward investment

- Maximise opportunities for digital infrastructure improvements and smart places technology

Environment

- Provide leadership in our own operations by reducing carbon emissions, energy consumption and waste
- Engage with residents and businesses to encourage them to act in more environmentally sustainable ways through their waste, travel, and energy choices
- Work with partners to make travel more sustainable and reduce congestion
- Make every effort to protect and enhance our biodiversity and natural environment.

Community

- Tackling inequality in our communities
- Work with communities to support those in need
- Support the unemployed back into the workplace and facilitate opportunities for residents to enhance their skills
- Prevent homelessness and rough-sleeping in the borough

A G E N D A

ITEM

1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

2 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS

In accordance with the local Code of Conduct, a councillor is required to disclose at the meeting any disclosable pecuniary interest (DPI) that they may have in respect of any matter for consideration on this agenda. Any councillor with a DPI must not participate in any discussion or vote regarding that matter and they must also withdraw from the meeting immediately before consideration of the matter.

If that DPI has not been registered, you must notify the Monitoring Officer of the details of the DPI within 28 days of the date of the meeting.

Councillors are further invited to disclose any non-pecuniary interest which may be relevant to any matter on this agenda, in the interests of transparency, and to confirm that it will not affect their objectivity in relation to that matter.

3 MINUTES (Pages 7 - 32)

To confirm the minutes of the meetings of the Corporate Governance and Standards Committee held on 27 July and 28 September 2023.

4 ACTION TRACKER (Pages 33 - 34)

5 FREEDOM OF INFORMATION COMPLIANCE UPDATE (Pages 35 - 44)

**6 CAPITAL AND INVESTMENT OUTTURN REPORT 2022-23
(Pages 45 - 130)**

**7 HOUSING REVENUE ACCOUNT FINAL ACCOUNTS 2022-23
(Pages 131 - 150)**

- 8 **REVENUE OUTTURN REPORT 2022-23** (Pages 151 - 168)

- 9 **MEDIUM TERM FINANCIAL PLAN (MTFP) AND FINANCIAL RECOVERY PLAN - NOVEMBER UPDATE REPORT** (Pages 169 - 186)

- 10 **COUNCILLOR TRAINING AND ANNUAL DEVELOPMENT ANNUAL REPORT 2023-24** (Pages 187 - 254)

- 11 **WORK PROGRAMME** (Pages 255 - 266)

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

27 July 2023

Councillor Phil Bellamy (Chairman)

* Councillor Bob Hughes (Vice-Chairman) [in the chair]

Councillor Joss Bigmore

* Councillor James Jones

Councillor George Potter

* Councillor James Walsh

* Councillor Fiona White

Independent Members:

Murray Litvak

Parish Members:

* Julia Osborn

* Simon Schofield

* Tim Wolfenden

*Present

The Leader of the Council, Councillor Julia McShane, the Lead Councillor for Finance & Property, Councillor Richard Lucas, and Councillors Jason Fenwick and Howard Smith were also in attendance.

Councillors Bilal Akhtar and Sue Wyeth-Price were in remote attendance.

CGS11 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from the chairman, Councillor Phil Bellamy, and from Councillor Joss Bigmore (for whom Councillor Ruth Brothwell substituted), Councillor George Potter (for whom Councillor Vanessa King substituted) and from Murray Litvak.

CGS12 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS

There were no disclosures of interest.

CGS13 MINUTES

The minutes of the meeting of the Committee held on 15 June 2023 were approved as a correct record, subject to a correction showing that Councillor Howard Smith was in attendance in the Chamber rather than in remote attendance.

CGS14 DECISION AND ACTION TRACKER

The Committee noted that the decision and action tracker had been introduced to monitor progress against the decisions and actions that the Committee had agreed, which would be kept up to date for each meeting. When decisions/actions were reported as being 'completed', the Committee would be asked to agree to remove these items from the tracker.

The Committee noted that the action in the second item on the tracker, which related to ensuring that future Financial Monitoring Reports clarified the extent to which debts were overdue and further information as to the reason why a high proportion of overdue debt had no payment plan, would be addressed in the report scheduled for consideration by the Committee in September.

The Committee

RESOLVED: That the decision and action tracker be noted and that the actions reported as being completed be removed from the table.

CGS15 UPDATE ON THE REVISED JOINT EQUALITY, DIVERSITY AND INCLUSION POLICY, AND ASSOCIATED ACTION PLAN

The Committee noted that, under the Equality Act 2010, there were statutory obligations for organisations to have equality objectives and to adhere to the general and specific duties within the Act.

The Committee considered a report which had set out a proposed joint Equalities, Diversity, and Inclusion policy, which had been produced in collaboration with Waverley Borough Council. Although it would be a shared policy, the associated action plans were separate for each Council. The action plan had been updated to be more accessible and easier to use. The action plan would be reviewed by the Equality, Diversity and Inclusion Group every quarter and progress updated annually to this Committee.

During the debate, the following points were raised:

- Query as to whether the third bullet point of paragraph 2.1 of the policy ("our Equality Objectives"), and the second bullet point of paragraph 2.5 ("As a Community Leader") should also include Guildford.
- Request to see the terms of reference of the Corporate Equality Group.

- Insufficient reference to disabilities in the policy and action plan, which lacked ambition, and a request that this be addressed and brought back to the Committee.
- It was felt that councillors, as well as staff, should be encouraged to use personal pronouns in email signatures (see action 4.1 in the action plan).

Having considered the report, the Committee

RESOLVED: That the comments referred to in the bullet points above be referred to the relevant officer to address and that a further report be brought back to the Committee.

Action:	Officer to action:
<p>To bring a further report back to the Committee addressing each of the following comments:</p> <ul style="list-style-type: none"> • Query as to whether the third bullet point of paragraph 2.1 of the policy (“our Equality Objectives”), and the second bullet point of paragraph 2.5 (“As a Community Leader”) should also include Guildford. • Request to see the terms of reference of the Corporate Equality Group. • Insufficient reference to disabilities in the policy and action plan, which lacked ambition, and a request that this be addressed and brought back to the Committee. • It was felt that councillors, as well as staff, should be encouraged to use personal pronouns in email signatures (see action 4.1 in the action plan). 	<p>HR Business Partner</p>

CGS16 EXTERNAL AUDIT FINDINGS REPORT 2020-21

The Committee noted that the audit of the 2020-21 accounts was nearing completion and the Council’s external auditors intended to issue an unqualified opinion on the financial statements, which the Chief Finance Officer would re-certify in accordance with the Accounts and Audit Regulations 2015 immediately after the Committee meeting. The auditors had issued an Audit Findings report, which was appended to the committee report, together with a management action plan.

There were some adjustments to the primary statements required as a result of the audit and these, along with details of the actions taken, were highlighted in the audit findings report. There were also some minor changes that were not individually significant enough to warrant separate disclosure in the findings report.

The 2020-21 Auditors Annual Report would be reported, together with the 2021-22 Auditors Annual report, to the Committee at a future meeting.

The Chairman of the Committee was required to issue a letter of representation on behalf of the Council to the auditors to provide assurance over the management framework operating at the Council and the disclosures in the accounts. A copy of the proposed letter was attached as Appendix 2 to the report.

The Committee's attention was drawn to the Action Plan in the Audit Findings Report and the management responses, and to the various adjustments made to the accounts since the first draft of the accounts were published.

During the debate, the Committee made the following comments:

- Concern over the likelihood of the Council having made decisions with significant financial implications based on unaudited financial information.
- In view of the Council's current financial position, the Council's focus and priority should be on putting in place a sustainable Medium Term Financial Plan, rather than any retrospective investigation into the merits or otherwise of the Future Guildford project.
- The Council should be asking itself whether it was on track to deliver the anticipated annual revenue savings of up to £10.2 million from the Future Guildford transformation programme.
- In response to a question as to the timescale for completion of the joint 2020-21 and 2021-22 value for money report, the external auditors confirmed that it was intended to bring that report to the next meeting of this Committee.
- Request that future Audit Findings Reports provide an alternative to the colour-coded assessments to assist those with colour blindness.
- In response to concerns, the Interim Joint Executive Head of Finance gave assurance that the Council's financial systems were sufficiently robust.
- In response to a request for clarification as to when the 2021-22 audited accounts would be presented to the Committee, the Interim Joint Executive Head of Finance confirmed that the 2022-23 accounts officer were nearing closure, and work would shortly focus on 2021-22 accounts

to make sure that all the issues that had been raised in the Audit Findings Report for the 2020-21 accounts and the work on the 2022-23 accounts were addressed.

Having considered the report, the Committee

RESOLVED:

- (1) That Grant Thornton’s Audit Findings report attached as Appendix 1 to the Committee report, and the management responses provided in the action plan (as set out in Appendix A to Appendix 1 to that report) be noted.
- (2) That the letter of representation, as set out in Appendix 2 to the report, be approved, and that the Chairman of the meeting be authorised to sign the letter on the Council’s behalf.

Reason:

To allow the external auditor to issue his opinion on the 2020-21 accounts.

Action:	Officer to action:
To bring the joint 2020-21 and 2021-22 value for money report to the next meeting of this Committee.	Paul Cuttle, Grant Thornton (external auditors)
To provide in future Audit Findings Reports an alternative to the colour-coded assessments to assist those with colour blindness.	Paul Cuttle, Grant Thornton (external auditors)

CGS17 AUDITED STATEMENT OF ACCOUNTS 2020-21

The Committee considered the Audited Statement of Accounts for 2020-21. The Audit Findings report had covered the changes made to the accounts between the draft published on our website and the audited accounts.

The audited accounts appended to the Committee report included the changes.

The Committee noted that the external auditors (Grant Thornton) had issued an unqualified opinion on the financial statements but had recommended a number of management actions.

Having considered the Statement of Accounts for 2020-21, the Committee

RESOLVED:

- (1) That the audited statement of accounts 2020-21, as set out in Appendix 1 to the report submitted to the Committee be approved.
- (2) That the Chairman of the meeting be authorised to sign the official copy of the accounts to state that they are approved.

Reasons:

- To approve the Statement of Accounts for 2020-21
- In order to comply with the Accounts and Audit Regulations 2015 the statutory statement of accounts requires approval by Council or a designated Committee, by 30 November each year.

CGS18 INTERNAL AUDIT PROGRESS REPORT (MAY 2023)

The Committee considered the first internal audit progress report for 2023-24 from the Council's new internal auditors, Southern Internal Audit Partnership. The report summarised progress with the "live" audit which were defined as any audit reviews that resulted in management actions being raised and where those management actions were either not yet due or were overdue, and whether those overdue actions were low, medium, or high priority.

In response to a question in the debate regarding the nature of the "resource pressures" referred to in Annex 1 to the report "Overdue High Priority Management Actions", the internal auditor reported that the reason for the management actions being overdue was that the responsible officer had been on leave and had not been able to provide an update in time to report this to the Committee.

Having considered the report, the Committee

RESOLVED: That the progress made against the internal audit plan for 2023-24, as detailed in the report submitted to the Committee, be noted.

CGS19 MONITORING OF S.106 CONTRIBUTIONS

The Committee considered a monitoring report showing the details of Section 106 contributions that had been secured, received, and spent as at the date of the report. In cases where the contribution had not yet been spent, the report had shown whether the contribution had been committed to a project.

The Committee noted that Section 106 Agreements could be used to secure financial contributions towards infrastructure that was required to mitigate the impact of development. The Council would only seek contributions where a proposed development created additional need or exacerbated an existing deficiency and where it complied with the three tests set out in the Community Infrastructure Levy Regulations 2010 (as amended).

Section 106 Agreements were recorded and monitored using a module of the Acolaid planning database, from the signing of the agreement to spending the contributions. The Council's Finance team also kept a monitor of income and spend of developer contributions.

Detailed information on Section 106 contributions towards infrastructure were included in the report, which was split into four main sections, S106 Expired Funds S106 Funds Available, S106 Pending Funds and S106 Spent Funds.

As at 31 March 2023, there was a balance of £1,961,341.81 for GBC S106 contributions and £13,588,745 for the SPA Reserves as well as £10,775,177 for Surrey County Council (SCC) and other relevant bodies; these sums being developer contributions that had been received but not spent or passed to relevant bodies.

During the debate, the Committee made the following points:

- General concern about the levels of expired funds and the risk of having to return them to developers.
- Specific concerns that substantial sums of unspent S106 money had been earmarked for spending on education and health and that in respect of the former, there were no indications from Surrey County Council that this money was actually being spent to mitigate the pressure on local schools. In response to a question as to what pressure could be put on the County Council to use the money as quickly as possible towards the purposes for which it had been allocated the Joint Executive Head of Planning Development confirmed that she had already met with Surrey County Council to discuss closer working going forward, both in the way planning applications were negotiated and how S.106 Agreements were structured, particularly on large developments to ensure that there was early spend of contributions.
- In response to concerns regarding certain arithmetical calculations in the report, the lack of information regarding non-financial contributions (e.g. proposed new healthcare provision), and lack of information as to

progress with certain projects where funds have apparently been spent or to whom they were given

- In response to a suggestion that local ward councillors and (where appropriate) parish councils should be consulted as to where partially unspent contributions should be spent, the Joint Executive Head of Planning Development agreed that the Council should ensure that S106 monies were spent appropriately, transparently, and with local engagement.
- The Joint Executive Head of Planning Development suggested that the way that the report had been formatted, which had been taken from the Council's internal systems was not actually providing the information required by the Committee and indicated that a further report could be brought back to the Committee in November in order to respond to some of the specific questions raised at the meeting which would enable the Committee to have a better understanding of how these monies were held and being spent. In addition, consideration would be given as to how unspent monies should be re-profiled.
- In response to a request that the further report referred to above should revise the table in paragraph 7.13 of the report (Comparison to previous report) and include further information as to new S106 monies received during the period between reports, and S106 monies spent during that period.
- Concern that the effect of high inflation reduced the value of unspent S106 monies.
- This Council could not specify to third parties to whom S106 monies had been allocated for spending, such as the County Council or GP practices, deadlines by which those monies had to be spent.

The Committee

RESOLVED: That the Section 106 Monitoring Report be noted and a further report addressing the matters referred to above, be submitted to the Committee at its meeting on 17 November 2023.

Reason:

To ensure that the Committee is informed of the extent to which S106 funds are available, pending, and spent/committed.

Action:	Officer to action:
To submit a further report to the Committee in November 2023 to respond to some of the specific questions raised to enable the Committee to have	Joint Executive Head of Planning Development/ Specialist S106 Officer

Action:	Officer to action:
a better understanding of how S106 monies were held and being spent.	

CGS20 PLANNING APPEALS MONITORING REPORT

The Committee was reminded that at its meeting held on 16 June 2022, it was agreed that future planning appeals monitoring reports be presented annually, to see if any patterns were emerging in respect of member overturns, costs of overturn appeals and costs awards.

The Committee considered a further updated monitoring report on planning appeals, which focused on data relating to the years 2021-2023.

Officers had attached commentary to each year's report which looked at the proportion of appeals allowed in respect of member overturn decisions and overall appeal performance. The report had also included details of the range of costs associated with defending appeals together with the key risks and financial implications.

The Committee noted that a detailed report on planning appeals, including details of cost applications, was reported to every meeting of the Planning Committee. The information contained in the monitoring report had been taken from the information contained on previous Planning Committee agendas.

The report had highlighted that the Council's success rate on appeals was improving year on year, which was particularly important as this was one of the measures that DLUHC used to assess the Council's performance as a planning authority. Along with the speed at which applications were determined, DLUHC also measured quality of decisions over a two-year rolling programme. Paragraph 7.7 of the report had set out the published current performance on quality of decision-making for both major and non-major applications.

There was also a detailed monthly training programme that had been developed for members and officers with a different topic each month which would be rolled out shortly.

During the debate, the following points were raised:

- Clarification was sought as to the criteria by which the Secretary of State had stated that the Council was at risk of designation in terms of the determination of planning applications. In response, the Joint

Executive Head of Planning Development indicated that it was in respect of a specific performance measurement, namely the speed at which non-major applications were being determined. The measures to be taken to avoid designation were meant to achieve 70% within the 8-week period over a rolling 2 year programme. Performance had significantly improved for the quarter January to March 2023, where we achieved 72%, and the period April to June, where we achieved 82% of determination on non-major applications.

- It was noted that the criteria for designation of a local planning authority could either be the speed of determining applications or quality of decisions. Quality of decisions was measured by overturns of committee decisions at appeal and was the focus of this planning appeals monitoring report. However, the report lacked any data on the first reason for possible designation, the speed of decisions in determining or not determining planning applications within statutory time periods.
- Concerns were reiterated regarding the number of applications appealed on the grounds on non-determination by the Council, in that this could make a designation more likely and lead to awards of costs against the Council. There was also concern over the “democratic deficit” caused by non-determination of planning applications within the statutory time periods. It was suggested that a further report should be submitted to the Committee at its November meeting, on the number of applications (of all types) per ward that were not being determined within the statutory time limits, and the reasons for their non-determination.
- Given the capacity issues around how the Council was trying to improve its planning processes and performance to avoid designation, the Leader of the Council expressed concern at having to provide a further report when officers should be focusing on improving the speed of determination of applications.
- As the criteria for designation were based on both speed and quality, there was concern that, whilst the speed of determination of non-major applications has increased from 72% to 82%, it had been at the expense of the quality of some of those decisions.

Having considered the report, the Committee

RESOLVED: That the contents of the revised Planning Appeals Monitoring Report and data be noted.

Reason:

To enable the Committee to monitor the Council's performance on planning appeals.

CGS21 REVIEW OF TASK GROUPS REPORTING TO THE COMMITTEE

The Committee noted that Council Procedure Rule 24 (v) required the appointing body to review annually, the continuation of task groups appointed by them. Although the Councillors' Development Steering Group had been set up originally as an Executive working group, it was agreed in 2015 that the Steering Group, which met quarterly, would report on its work to this Committee.

The Corporate Governance Task Group had been established by the Committee in November 2019 to review a number of corporate governance related matters and had met on ten occasions in 2022-23.

The Committee considered a report which reviewed the work carried out by the Steering Group and the Task Group over the past twelve months, and the work to be undertaken over the next twelve months. The Committee was asked to agree that the Councillor Development Steering Group should continue its important work and continue to be representative of all political groups on the Council.

The Committee was also asked to consider disbanding the Corporate Governance Task Group and to establish, jointly in conjunction with Waverley Borough Council's Standards and General Purposes Committee, a new Joint Constitutions Review Group (JCRG) with an overall objective of aligning key parts of the Councils' respective constitutions, where it was appropriate to do so.

Having recorded their thanks to the members and former members of the Corporate Governance Task Group, the Committee

RESOLVED:

- (1) That the Councillor Development Steering Group should continue its work and that the numerical allocation of seats on the Steering Group to each political group shall be one member per group for the 2023-24 municipal year as follows:

Cllr Katie Steel

Cllr James Walsh

Cllr Catherine Young

1 x Conservative Group member (to be confirmed)

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1 x Guildford Greenbelt Group member (to be confirmed)

- (2) That the Corporate Governance Task Group be disbanded.
- (3) That a new Joint Constitutions Review Group be established jointly in conjunction with Waverley Borough Council's Standards and General Purposes Committee, and Guildford's membership shall comprise:

Cllr Joss Bigmore

Cllr James Jones

1 x Conservative Group member (to be confirmed)

1 x Liberal Democrat Group member (to be confirmed)

- (4) That the draft terms of reference of the Joint Constitutions Review Group, as set out in Appendix 2 to the report submitted to the Committee, be approved.
- (5) That the Committee notes the purpose of the Joint Constitutions Review Group, which will be to review the Guildford Borough Council Constitution, alongside the Waverley Borough Council Constitution, and to report back with their recommendations to both the Corporate Governance and Standards Committee at Guildford and the Standards and General Purposes Committee at Waverley. The Corporate Governance and Standards Committee would then have the opportunity to consider any recommendations from the Joint Constitutions Review Group relating to this Council's Constitution and may make appropriate recommendations to the Council to approve any changes.
- (6) That, from among those councillors appointed, the Committee, appoints a co-chairman of the Joint Constitutions Review Group.

Reasons:

- To comply with the requirement for this Committee to review the continuation of the task groups reporting to it, in accordance with Council Procedure Rule 24 (v).
- To commence work on the review of Guildford Borough Council's Constitution, and to do so in collaboration with partners from Waverley Borough Council, with an overall objective of aligning key parts thereof, where it is appropriate to do so.

CGS22 REVIEW OF GUILDFORD BOROUGH COUNCIL'S COVERT INVESTIGATIVE POWERS POLICY AND ALIGNMENT WITH THE POLICY OF WAVERLEY BOROUGH COUNCIL

The Committee considered a report which sought approval to recommend to the Executive the adoption of the draft Covert Surveillance and Investigative Powers Policy and Procedure, a copy of which was attached as Appendix 1 to the report. The Committee noted that the Audit & Risk Committee at Waverley Borough Council was also being asked to recommend an identical policy to Waverley Borough Council, with a view to both councils updating their current policies to reflect best practice, and to put the councils in the position of separate but aligned policies. This would reflect the current position of maintaining sovereignty but the policy being aligned to support and facilitate future collaboration between the councils should that be forthcoming.

The Regulation of Investigatory Powers Act 2000 (RIPA) (as amended by the Protection of Freedoms Act 2012 (POFA)) and the Investigatory Powers Act 2016 (IPA) had set out a regulatory framework for the use of covert investigatory techniques by public authorities who must also adhere to the published Codes of Practice. The purpose of the legislation was to regulate powers to access information in a manner that was compatible with the Human Rights Act 1998, particularly Article 8 - the right to respect for private and family life.

Interference with these rights must be necessary and proportionate. The Council was committed to implementing the provisions of RIPA (and associated legislation) to ensure that any covert surveillance and/or obtaining of Communications Data was undertaken lawfully and was necessary and proportionate to alleged offences.

The Committee was informed that the Council only used covert surveillance powers exceptionally. In the last five years, the Council had only used its powers twice, once in February 2019 and once in August 2021. Both uses were in relation to directed surveillance.

The proposed policy:

- described the investigative techniques local authorities were allowed to use and the limited circumstances in which they could be used;
- outlined the need for authorisation, training and identified examples of what would constitute regulated activity; and

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- outlined the roles and responsibilities of various officers under the policy to ensure best practice and a consistency in approach when exercising RIPA and IPA powers.

As the legislation and Codes of Practice were frequently amended, this policy provided up-to-date details of those changes. The policy would also help the Council to comply with the requirements of the Investigatory Powers Commissioner's Officer (IPCO) Inspectorate and also provide guidance to those who used these powers.

The Committee acknowledged that some roles described within the policy were shared across both councils and it made sense for the policy to reflect this, and for Guildford and Waverley to have aligned policies so the responsibilities of shared officers were clear and consistent.

Having noted that the draft policy had drawn the best parts and examples from each individual policy into one shared document, the Committee

RESOLVED: That the Executive be requested to agree that the draft Covert Surveillance and Investigative Powers Policy and Procedure attached as Appendix 1 to the report submitted to the Committee be adopted, subject to the same policy being adopted by Waverley Borough Council.

Reasons:

- To align the policies of Guildford and Waverley and to improve consistency in reporting, monitoring and approval of covert surveillance and acquisition of communications data.
- To ensure the integrity of the processes in place for the use of directed surveillance, covert human intelligence sources (CHIS) and acquiring communications data
- To maintain compliance with the Legislation and Codes of Practice that govern Investigatory powers and the Human Rights
- To ensure collaborative engagement with IPCO and their inspectors
- To ensure staff are fully trained and aware of their powers, duties and the authorisation process

CGS23 WORK PROGRAMME

The Committee considered its updated work programme noting the update on the Supplementary Information sheet listing dates when Internal Audit Reports were scheduled to be considered, and the comment earlier in the meeting that

the joint 2021 22 Value for Money Audit report was expected to be submitted to the next meeting.

The Committee

RESOLVED: That the updated 12 month rolling work programme, as set out in Appendix 1 to the report submitted to the Committee, be approved, subject to the addition of the items referred to above.

Reason:

To allow the Committee to maintain and update its work programme.

The meeting finished at 9.20 pm

Signed

Date

Chairman

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

28 September 2023

- * Councillor Phil Bellamy (Chairman)
- * Councillor Bob Hughes (Vice-Chairman)
- Councillor Joss Bigmore
- * Councillor James Jones
- * Councillor George Potter
- * Councillor James Walsh
- Councillor Fiona White

Independent Members:

- * Murray Litvak

Parish Members:

- * Julia Osborn
- * Simon Schofield
- * Tim Wolfenden

*Present

The Leader of the Council, Councillor Julia McShane, the Lead Councillor for Finance & Property, Councillor Richard Lucas, and Councillor Philip Brooker were also in attendance.

The Lead Councillor for Community and Organisational Development, Councillor Carla Morson, and Councillors Ruth Brothwell and Howard Smith were in remote attendance.

CGS24 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillors Joss Bigmore and Fiona White.

CGS25 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS

There were no disclosures of interest.

CGS26 MINUTES

The minutes of the special meeting of the Committee held on 18 July 2023 were approved as a correct record. The minutes of the meeting of the Committee held on 27 July would be referred to the next meeting of the Committee to enable wording of Minute CGS20 – Planning Appeals Monitoring Report to be corrected.

CGS27 ACTION TRACKER

The Committee noted that the decision and action tracker had been introduced to monitor progress against the decisions and actions that the Committee had agreed, which would be kept up to date for each meeting. When decisions/actions were reported as being 'completed', the Committee would be asked to agree to remove these items from the tracker.

In relation to the first item, which had been outstanding for over a year, the Executive Head of Planning Development informed the Committee that four issues had been raised at that time by Cllr Wyeth-Price, before she became a councillor, in respect of the Planning Appeals Monitoring Report to the Committee in June 2022.

The first issue related to missing and incorrect data in the table in paragraph 3.1 of that report:

- the number of appeals in 2020 should have read "7" rather than "8", and the number of appeals in 2021 should have read "13" rather than "12"
- the overturns dismissed figure for 2020 should have read "3 (1 pending)", and for 2021, it should have read "3 (2 pending)".

The second issue related to incorrect calculation of appeal figures, and that the report had amalgamated all appeals into a single category and did not differentiate between non-major appeals and major appeals. In future, appeal figures would be categorised as that was how they were measured and reflected in returns to government. The third issue was that the assessment of Councillors' performance had been disingenuous, because it had amalgamated all types of decision making into a single category rather than breaking them down into three categories, which would have been Committee decisions which overturned an officer recommendation from approval to refusal, committee refusals, officer refusals. In future reports, decisions would be set out in those three categories so that it would be possible to measure not only the performance of councillors, but also the performance of officers.

The fourth issue referred to a figure quoted in respect of the award of costs in relation to the Ash Manor appeal, which had been accepted as being incorrect.

It was suggested that either an updated report, to include these corrections, be circulated to the Committee or that the details be referred to in the next scheduled Planning Appeals Monitoring Report.

The Committee

RESOLVED: That the decision and action tracker be noted and that the actions reported as being completed be removed from the table.

CGS28 DATA PROTECTION AND INFORMATION SECURITY UPDATE REPORT

The Committee considered a report from the Information Governance Officer that provided an update on developments in data protection and information security within the council since the last report in October 2022. The report also covered details of data breaches in 2022-23, key risks for the Council, and objectives for the coming twelve months.

During the debate, the following points were made:

- Concern was expressed over the delay in removing legacy hardware and operating systems and the volume of priorities being placed on ICT. In response to a question as to how the work was prioritised, the Information Governance Officer commented that work was prioritised according to the level of risk involved, and availability of both financial and staffing resources. It was hoped that the removal of legacy hardware and operating systems would be completed in the next six to twelve months. Progress on this would be shared with councillors.
- Officers acknowledged that, contrary to the comment in the report that there were no Climate Change/Sustainability implications, there were clearly sustainability implications associated with the disposal of legacy hardware, and energy use associated with new hardware and greater energy efficiency associated with increased cloud hosting.
- In response to a request for an update on the review of ICT security policies, it was confirmed that this was still ongoing.
- It was noted that the number of data breaches recorded in 2022-23 was commendably low.
- In response to a question, the Information Governance Officer confirmed that no distinction was currently made in respect of ICO notifications due to data breaches between notifications required under GDPR and those required under the Network and Information Systems rules. It was confirmed that this could be something that could be looked into in future.

The Committee

RESOLVED: That the update report be noted.

Reason:

To ensure that the Committee is kept up to date with developments in the Council's data protection and information security framework.

CGS29 EXTERNAL AUDITOR'S VALUE FOR MONEY LETTER TO THE CHIEF FINANCE OFFICER

The Committee received the letter from the external auditors, Grant Thornton to the Chief Finance Officer on their opinion as to whether the Council had put in place, for both 2020-21 and 2021-22, proper arrangements to secure economy, efficiency, and effectiveness in its use of resources.

Paul Cuttle, of Grant Thornton, commented on the letter and the key recommendations therein.

Mr Cuttle indicated that, once the external auditors were able to issue their audit findings report, there would be detailed management responses to each of the key recommendations. It was noted that, although the external auditors had not issued any statutory recommendations, they had noted the Council's implementation of a financial recovery plan and proposal for a revised MTFP for approval in October 2023. Grant Thornton would determine whether it was appropriate to use their statutory powers once there was greater clarity on the progress of developing a financial recovery plan that would demonstrate how the Council could deliver a balanced general fund budget in 2023-24, develop financial capacity and produce good quality updated 2021-22 draft financial statements with supporting working papers.

During the debate on this matter, the Committee made the following points:

- Clarification was requested in respect of the actual reasons for the delay in finalising audits. The external auditor's assertion that this was due to the Council's inability to produce accurate financial statements or audit evidence to support reported balances, whilst the Council's Finance team had previously cited other reasons. It was suggested that the opinion of the Interim Chief Finance Officer be sought on this.
- In response to a request for an update on the issues caused by the introduction of the new General Ledger System, the Strategic Director: Transformation and Governance commented that part of the financial recovery plan included actions to fundamentally review the Council's finance systems and processes, along with a structure to facilitate the

production of accurate financial information. Again, it was suggested that this would be a matter for the Interim Chief Finance Officer to address.

- In response to a request for updates in relation to:
 - (a) Actions relating to resourcing of the finance team to ensure that non-finance staff were not completing key financial actions like performing reconciliations; and
 - (b) Timescales for the finance team to re-issue the 2021-22 and 2022-23 draft financial statements

the Strategic Director: Transformation and Governance noted that these matters would be picked up as part of the ongoing work on the review of the Council's financial systems and structures.

The Committee

RESOLVED: That the External Auditor's Value for Money Letter to the Chief Finance Officer, and the Committee's comments referred to above, be noted.

Action:	Officer to action:
<ul style="list-style-type: none">• To give an opinion as to the actual reasons for the delay in finalising external audits.• To provide an update on the issues caused by the introduction of the new General Ledger System.	Interim Chief Finance Officer

CGS30 FINANCIAL MONITORING 2023-24 PERIOD 3 (APRIL TO JULY 2023)

The Committee considered a report which was attached to the Supplementary Information Sheet, and which summarised the projected outturn position for the Council's General Fund (GF) revenue account and Housing Revenue Account, based on the latest actual and accrued financial data.

The Original Budget approved at Council in February 2023 had included a budget gap of £3.1 million. A revised budget had been presented to the Committee in July with a reduced budget gap of £1.6 million, following review of budgets with services. Further work had been undertaken, since July, jointly by the Corporate Management Board (CMB), finance and services to close this gap and savings had been made to reduce this ensuring that the Revised Budget was balanced. Several areas had been identified as a financial risk to the Council. Budgets had been increased to reflect this and were listed in the report. The month 4 forecast included these budget changes.

The revised budget had been adjusted to reflect the changes and officers were projecting an overspend within services on the General Fund revenue account of £0.676 million which was offset by transfers from reserves and corporate adjustments to give a forecast surplus of £0.331 million. The Committee noted that any surpluses or deficits would impact on reserves at year end.

The CMB was implementing measures to address the budget gap in 2023-24 through a “Financial Recovery Plan” and the initial actions had been set out in the budget report considered by Council at its extraordinary meeting held on 30 August 2023. Some of those measures would be one-off, in-year adjustments which would not help the budget in 2024/25 and future years. This would be prioritised in the mid-year review of the Medium-Term Financial Plan to be reported in November 2023.

The report noted that officers were projecting an overspend on the HRA of £1.966 million and had set out the detail behind this variance.

Progress against the capital programme was underway and the Council expected to spend £124.4 million on its capital schemes by the end of the financial year against a budgeted expenditure of £196.8 million.

The Lead Councillor for Finance & Property apologised to the Committee for the lateness of publication of the report, but emphasised the importance of ensuring that the Committee had an opportunity of commenting on it prior to the full Council meeting in October. The Lead Councillor acknowledged the huge level of effort that had been put in towards achieving the budget savings, but noted that this was only the first step in the process towards financial stability.

During the debate, the Committee made the following comments:

- Assurance was sought that the processes in place for monitoring future expenditure were sufficiently robust as the setting of next year’s budget was less than six months away. Officers commented that revenue accounts and capital accounts, and the balance sheet would be robustly monitored going forward.
- In relation to the variance of £58.3 million on the capital programme for 2023-24, there was a query as to whether there were any key risks of which the Committee should be aware, which might impact on that variance. For example, risks associated with loss of grant funding. It was suggested, and officers agreed, that bearing in mind the amber and red status of the Ash Road Bridge and Weyside Urban Village projects respectively, the amounts of the grants involved should be quantified in future reports.

- Noting that over a quarter of a million pounds had been saved in respect of climate change/sustainability, assurance was sought that climate change action was still a priority for the Council.
- Concern that some of the savings identified were speculative, and the savings identified in treasury management costs seemed to contradict the comments of the external auditor in their value for money letter.
- In response to a request for additional information to provide evidence of the claimed savings identified in the report, the Strategic Director: Transformation and Governance indicated that he would take this up with the Interim Chief Finance Officer to see how this additional information could be provided.
- Provision of information on key variances by directorate was welcomed.
- Given the issues with finalising the audit of accounts, query as to the outstanding risk associated with potential inaccuracies in the opening position and, conversely, in terms of in-year reporting, given the finance team resource constraints. In response, officers confirmed that the information in the report was as accurate as it could possibly be.
- Request for an update on the year end reserves forecast.
- Concern that the Council was able to commit the necessary resources in order to meet its legal requirements around Air Quality Management Areas both in the town centre and in Shalford.
- In relation to the £168,000 saving associated with the reduction in the amount of Minimum Revenue Provision (MRP) required due to application of correct treatment of assets, query as to what was the incorrect treatment of assets. Officers confirmed that treatment of MRP was about assets under construction, and that the guidance on how the rules were applied had been interpreted in a slightly different way following CIPFA guidance.
- In response to what had changed since the former Section 151 Officer had advised that no reserve should be used this year, yet reserves were stated in the balance sheet, it was noted that certain reserves were allocated or earmarked for specific purposes.
- In response to a request for clarification in respect of the £390,934 savings from salary adjustments for in-year vacancies, noting that there had been no recruitment freeze impact at this stage, the Strategic Director commented that a recruitment freeze had been introduced in respect of non-essential posts as part of the financial recovery plan approved by the Council at the end of July. The £390,934 savings related to unfilled vacancies through the course of the year.

Having considered the report, the Committee

RESOLVED: That the Council’s latest financial monitoring for the financial year 2023-24 be noted and that the comments and observations made during the debate be passed to the Executive.

Reason:

To ensure that Councillors and officers fulfil their responsibilities for the overall financial management of the Council’s resources.

(In accordance with Council Procedure Rule 19 (e), Councillor Bob Hughes requested that his abstention be recorded in the minutes.)

Action:	Officer to action:
<ul style="list-style-type: none"> • To provide details of amounts of grants involved in both the Ash Road Bridge and Weyside Urban Village projects in future reports. • To provide additional information in support of the claimed savings identified in the report. • To provide an update on the year end reserves forecast. 	<p>Interim Chief Finance Officer</p>

CGS31 ANNUAL REPORT OF THE CORPORATE GOVERNANCE AND STANDARDS COMMITTEE 2022-23

The Committee noted that, following receipt of the KPMG internal audit report on the effectiveness of the Committee, considered on 24 March 2022, one of the recommendations was that the Committee should report at least annually to the Council on its activities and an assessment of its performance in discharging its responsibilities as defined in the Committee’s terms of reference.

The Committee considered and reviewed the second of these annual reports setting out details of the Committee’s work during the 2022-23 municipal year, under the main headings within the terms of reference, namely:

- Audit and Accounts activity,
- Corporate Governance Activity, and
- Ethical Standards Activity

The Committee noted the table in Annex 2 to the Annual Report setting out the types and category of report considered by the Committee during the year.

The Annual Report had demonstrated the importance the Council placed on its governance and audit arrangements, and provided assurance to the Council how the Committee was working towards:

- fulfilling its agreed terms of reference and adopted recommended practice; and
- strengthening risk management, internal control and governance arrangements.

The Committee expressed concern that the Annual Report did not recognise the various failures in governance, which had led to some of the issues around the Council's finances during 2022-23, and that the Council should reflect further on the Committee's role and terms of reference.

It was suggested that the failsafe mechanisms within the Council to prevent internal governance failures should be the audit process and this Committee. However, it was acknowledged that, until the external audit of the Council's accounts was fully up to date, the Committee could not come to any conclusions as to what could have, or should have been done differently.

It was also felt that there needed to be a wider review of the role of corporate governance and standards within the Council to ensure that the key governance issues could be scrutinised in sufficient depth. The Committee noted that it was proposed to conduct a Constitutional review in the next 12 months, which would include a review of the structure of committees and their terms of reference.

The Committee

RESOLVED: That the Annual report of the Corporate Governance and Standards Committee for the municipal year 2022-23 be commended to full Council for adoption.

Reason:

To ensure that the Committee is accountable for its work to the full Council.

CGS32 JOINT CONSTITUTIONS REVIEW GROUP - APPOINTMENT OF CO-CHAIR

At its last meeting on 27 July 2023, the Committee approved the establishment, in conjunction with Waverley Borough Council's Standards and General Purposes Committee, of a Joint Constitutions Review Group with an overall objective of aligning key parts of the Councils' respective constitutions, where it was appropriate to do so.

Although four members of this Council had been appointed to the Review Group (The Deputy Mayor, Cllr Sallie Barker MBE, Cllr Joss Bigmore, Cllr Catherine Houston, and Cllr James Jones), the Committee unfortunately had omitted to confirm which of those members would act as co-chair of the Review Group.

The Committee therefore

RESOLVED: That Councillor James Jones be appointed as co-chair of the Joint Constitutions Review Group.

Reason:

To ensure that, whenever Guildford hosted a meeting of the Review Group, a Guildford member would chair the meeting.

CGS33 WORK PROGRAMME

The Committee considered its updated work programme noting the significant business scheduled for the 16 November meeting.

The Committee

RESOLVED:

- (1) That the updated 12 month rolling work programme, as set out in Appendix 1 to the report submitted to the Committee, be approved.
- (2) That an additional meeting of the Committee be arranged for Wednesday 29 November 2023 at 7pm to deal with some of the business scheduled for the 16 November 2023 meeting.

Reason:

- To allow the Committee to maintain and update its work programme.
- To ensure that the Committee's business can be dealt with as expeditiously as possible

Action:	Officer to action:
To convene an additional meeting of the Committee on Wednesday 29 November 2023.	Democratic Services & Elections Manager

Agenda item number: 3

The meeting finished at 8.40 pm

Signed

Date

Chairman

Corporate Governance and Standards Committee

16 November 2023

Decision and Action tracker

This tracker monitors progress against the decisions and actions that the Committee has agreed since January 2022. It is updated for each committee meeting. When actions are reported as being ‘completed’, the Committee will be asked to agree to remove these items from the tracker.

The actions listed below are outstanding.

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
6 October 2022	Financial Monitoring 2022-23	To ensure that future reports clarify the extent to which debts were overdue and further information as to the reason why a high proportion of overdue debt has no payment plan.	Executive Head of Finance	Debt monitoring has been included in the Month 6 reporting which will go to the 29 November meeting. This will be a monthly standing item on future reports, which will provide a breakdown of all debt and identify the amounts which have no current payment plan.
27 July 2023	External Audit Findings Report 2020-21	<ul style="list-style-type: none"> • To bring the joint 2020-21 and 2021-22 Value For Money report to the next meeting of this Committee. • To provide in future Audit Findings Reports an alternative to the colour-coded assessments to assist those with colour blindness. 	Paul Cuttle, Grant Thornton (external auditors)	<ul style="list-style-type: none"> • See external auditor’s letter attached as Item 6 to the 28 September 2023 Committee agenda • Noted for future Audit Findings reports
27 July 2023	Monitoring of S.106 Contributions	To submit a further report to the Committee in November 2023 to respond to some of the specific questions raised to enable the	Joint Executive Head of Planning Development/	Report due at the 29 November meeting

Date of Meeting	Item	Decision/Action requested	Responsible Officer	Update on implementation
		Committee to have a better understanding of how S106 monies were held and being spent.	Specialist S106 Officer	
28 September 2023	External Auditor's Value For Money Letter to the Chief Finance Officer	<ul style="list-style-type: none"> • To give an opinion as to the actual reasons for the delay in finalising external audits. • To provide an update on the issues caused by the introduction of the new General Ledger System. 	Interim Chief Finance Officer	
28 September 2023	Financial Monitoring 2023-24 Period 3 (April to July 2023)	<ul style="list-style-type: none"> • To provide details of amounts of grants involved in both the Ash Road Bridge and Weyside Urban Village projects in future reports. • To provide additional information in support of the claimed savings identified in the report. • To provide an update on the year end reserves forecast. 	Interim Chief Finance Officer	<ul style="list-style-type: none"> • Noted. This will be provided in future Financial Monitoring Reports • This additional information was circulated to all councillors after the meeting. • This will be included as a standard item on all future Financial Monitoring reports.
28 September 2023	Work Programme	To convene an additional meeting of the Committee on Wednesday 29 November 2023.	Democratic Services & Elections Manager	Done

Guildford Borough Council

Report to: Corporate Governance and Standards Committee

Date: 16 November 2023

Ward(s) affected: Not applicable

Report of Director: Transformation & Governance

Author: Ciaran Ward, Information Governance Officer

Tel: 01483 444072

Email: ciaran.ward@guildford.gov.uk

Lead Councillor responsible: Angela Goodwin

Tel: 01483 824616

Email: Councillors.angela.goodwin@guildford.gov.uk

Report Status: Open

Freedom of Information Compliance: Update

1. Executive Summary

- 1.1 This is a regular report to monitor the Council's performance in dealing with Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests.
- 1.2 Following a fall in performance standards during 2020-21 largely due to the Covid pandemic lockdown and recent corporate restructures, performance rates for timely delivery of FOI/EIR requests have since improved over the 2021-22 and 2022-23 financial years.

2. Recommendation to Committee

- 2.1 That Corporate Governance and Standards Committee notes this report and continues to receive regular updates.

3. Reasons for Recommendation:

- 3.1. To ensure that the Committee is kept up to date with developments in the FOI/EIR framework.
- 3.2. To ensure that the Committee has the necessary information to enable requests for information to be made easily to the Council and properly responded to.
- 3.3. To assist with learning lessons and improving performance following requests for information made to the Council.

4. Exemption from publication

No

5. Purpose of Report

- 5.1 This Committee has requested this report to ensure the Council improves its response timescales for FOI and EIR requests and maintains standards.
- 5.2 Effective compliance with information governance, including the management of the Council's FOI/EIR regime plays a key part in achieving these objectives.

6. Strategic Priorities

- 6.1. To promote openness and transparency in Council policy and decision-making in order to uphold public confidence within the Borough and improve prosperity and well-being as outlined in the Strategic Framework – i.e. the Council “will be open and accountable”.

7. Update on Progress January – June 2023

- 7.1. The Council is required to respond to FOI and EIR requests within 20 working days – subject to certain exceptions as long as the requester

is kept informed – for example extra time can be taken to consider the Public Interest Test.

- 7.2. During the first six months of 2023 (January to June inclusive – i.e. Quarter 4 of 2022-23 and Quarter 1 of 2023-24) the Council received 376 FOI/EIR requests – of which 90.5% were responded to within the 20 working day statutory deadline. This is in line with the Corporate Management Board’s set target of 90%.
- 7.3. Following the Committee’s request to monitor, as an additional target, response rates dealt with promptly within 10 working days (i.e., half of the statutory time limit), we can report that, during this period 145 (38.5% of the total) were responded to within 10 or fewer working days. This compares favourably with the overall 2022-23 figure of 36.5%.
- 7.4. Planning received the most requests over the six-month period with a total of 60 (almost 16% of the total requests received across all service areas). A creditable 95% of these requests were responded to in time.
- 7.5. The second busiest service area was Environmental & Regulatory Services which received 59 requests, an impressive 100% of which were dealt within the statutory time limit.
- 7.6. It is also worth noting that 12 out of a possible 21 service areas have achieved or exceeded the Corporate Management Board’s performance target of 90%. Notably, 9 of these service areas deserve special commendation for achieving a 100% compliance rate.
- 7.7. The most frequently used exemption under the Freedom of Information Act for withholding requested information (either partially or completely) was section 21 (information available by other means), which was used on 19 occasions - marking a similar trend to previous years. This is largely due to the information being readily available on the [Disclosure Log](#) section of the Council’s website – e.g. information on expenditure, procurement, business

rates, public health funerals, planning applications, houses in multiple occupation (HMOs).

- 7.8. The highest proportion of requests during the stated period came from private companies (48.5% of all FOI/EIR requests), closely followed by members of the public at 26% of the total. See table below for full figures – which reveals a broadly similar pattern to that of previous years.

Figure 1 – Categories of Requester, January – June 2023

Correspondent Group	No. of requests	%
Private Company	178	47%
Member of the Public	98	26%
“WhatDoTheyKnow”	36	9.5%
Media	33	9%
Other (includes Legal/trade unions/political/local authorities/academics)	21	6%
Charity/Campaign Group	10	2.5%

8. Appeals/Reviews

- 8.1 Three internal reviews were received during the period covered (compared with two during the previous six-month period). In one case the Council’s original decision was upheld, but the other two reviews saw the initial verdict either partly or completely overturned.

Figure 2 – Internal Reviews, January – June 2023

Case ref	Case Title	Information requested	Received	Exemption	Outcome
IR2022/00052	Council Spend data	Annual spending data for the past 3 years along with all invoices and receipts that match this data	19/01/23	FOIA section 12 (Cost of compliance exceeds appropriate limit)	Council's original decision upheld
IR2023/00265	Correspondence between GBC and Ole & Steen bakery on state of building	Correspondence between GBC and the Ole and Steen bakery regarding the state of the building in the lead up to its opening	08/03/23	FOIA section 43 - Commercial interests	Original decision partially overturned – some of originally withheld information released
IR2022/00712	Council tax payments in empty property	Request for council tax records relating to past occupancy of a residential property.	14/06/23	FOIA section 40 (personal information)	Original decision fully overturned – originally withheld information released in full

9. Data Subject Access Requests (DSARs)

9.1 The Council received 8 DSARs (which are requests for personal information relating to an individual) during January to June 2023. All requests (where identification was received) were dealt with within the standard time limit.

10. Consultations

10.1 Not applicable.

11. Key Risks

11.1 Poor performance rates run the risk of reputational damage for the Council and would affect public confidence and transparency.

12. Financial Implications

12.1 There are no financial implications to this report.

13. Legal Implications

13.1 Failure to respond to FOI/EIR requests within 20 working days is a breach of the respective legislation. Requesters whose FOIs/EIRs have not been answered within the statutory time limit have the right to request an internal review and/or to make a formal complaint to the Information Commissioner's Office (ICO). There are therefore direct legal implications associated with the risk of reputational damage to the Council, adverse publicity and active monitoring by the ICO.

14. Human Resource Implications

14.1 Not applicable.

15. Equality and Diversity Implications

15.1 Not applicable.

16. Climate Change/Sustainability Implications

16.1 Not applicable.

17. Summary of Options

17.1. Continue to closely monitor approaching deadlines and enforce if necessary.

17.2. Directors to ensure that requests in their service areas remaining overdue or approaching their deadline date are resolved as soon as possible so that standards can be maintained, and if possible, improved on.

18. Conclusion

- 18.1. Now that performance levels are exceeding expected standards in terms of target attainment, it is imperative that these standards are maintained. The appropriate measures will continue to be carried out in order to achieve this and to improve performance rates further.

19. Background Papers

None.

20. Appendices

Appendix 1: FOI/EIR Requests received by service area (Jan-Jun 2023)

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FOI/EIR Requests received by service area, January – June 2023

Service Area	Total requests	Total answered in time	Percentage
Asset Management	9	8	88.5%
Benefits	3	3	100%
Business Rates	20	20	100%
Climate Change	6	4	66.5%
Community Services	7	7	100%
Council Tax	14	14	100%
Customer Services	6	4	66.5%
Democratic Services & Elections	12	12	100%
Engineers	1	1	100%
Environment & Regulatory Services	59	59	100%
Finance	17	12	70.5%
Fleet & Waste	15	10	66.5%
Housing Advice	24	21	87.5%
Human Resources	38	32	84%
ICT	14	14	100%
Legal	11	8	72.5%
Neighbourhood & Housing Management	13	11	84.5%
Parking Services	20	18	90%
Parks & Countryside	12	11	91.5%
Planning	60	57	95%
Strategy & Comms	15	15	100%
TOTAL	376	341	90.5%

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Guildford Borough Council

Report to: Corporate Governance and Standards Committee

Date: 16 November 2023

Ward(s) affected: All

Report of Director: Transformation & Governance

Author: Vicky Worsfold, Lead Specialist Finance and Deputy CFO

Tel: 01483 444834

Email: Victoria.worsfold@guildford.gov.uk

Lead Councillor responsible: Richard Lucas

Tel: 07834 020422

Email: Richard.lucas@guildford.gov.uk

Report Status: Open

Capital and Investment outturn report 2022/23

1. Executive Summary

- 1.1 This outturn report includes capital expenditure, non-treasury investments and treasury management performance for 2022/23 financial year.

Capital programme

- 1.2 In total, expenditure on the General Fund capital programme was £35.4 million against the original budget of £158 million, and a revised¹ budget of £169 million. Details of the revised estimate and

¹ Revised budget being the budget approved at Council in February plus any unspent amounts brought forward from previous financial year and supplementary estimates

actual expenditure in the year for each scheme is included at Appendix 3.

- 1.3 The budget for Minimum Revenue Provision (MRP) was £1.5 million and the outturn was £1.38 million. This was due to slippage in the programme in 2021/22.
- 1.4 Officers have reviewed the programme and have determined that there are schemes that are no longer required, that no longer meet the original business case or have been removed pending a new business case in light of the Council's ongoing budget deficit. These schemes are detailed in the Financial Recovery Plan within the capital programme workstream. Removing these schemes will reduce the Council's underlying need to borrow for capital purposes and will generate a saving to the revenue account in respect of MRP and interest.

Non-treasury investments

- 1.5 The Council's investment property portfolio stood at £178 million at the end of the year. Our rental income was £9.5 million, and our income return 5.7% against the benchmark of 4.7%.

Treasury management

- 1.6 The Council's cash balances have built up over several years and reflect our strong balance sheet with considerable revenue and capital reserves in the HRA. Officers carry out the treasury function within the parameters set by the Council each year in the capital and investment strategy. At 31 March 2023, the Council held £98 million in investments, £295 million in borrowing, of which £147 million is HRA, £32 million relates to the Weyside Urban Village project (WUV), and £115 million of short term borrowing, so net debt of £197 million.
- 1.7 We borrowed short-term from other local authorities for cash flow purposes in the year and took out a loan for WUV under the infrastructure rate. We capitalise borrowing interest to capital schemes using the pooled interest rate of the Council, so whether we are borrowing short or long term the borrowing associated with the

capital programme expenditure is capitalised against the project and not charged to the GF as interest payable.

- 1.8 The report (section 8) confirms that the Council complied with its prudential indicators, treasury management policy (TMP) statement and treasury management practices for 2022/23. The policy statement is included and approved annually as part of the Capital and investment Strategy and the TMPs are approved under delegated authority.
- 1.9 Treasury management performance compared to estimate for the year is summarised in the table below. The report highlights the factors affecting this performance throughout the report and in Appendix 1.

	Estimate	Actual	Estimate	Actual
	%	%	(£000)	(£000)
General fund Capital Financing Requirement (CFR)			245,861	175,204
Housing Revenue Account CFR			217,024	199,204
Total CFR			462,885	374,408
Return on investments	1.69	1.62	1,278	1,900
Interest paid on external debt			5,987	5,471
Total net interest paid			4,709	3,571

- 1.10 There was slippage in the capital programme which resulted in a lower CFR than estimated (more information in Appendix 1, section 3). Interest paid on debt was lower than budget due to less long-term borrowing taken out on the GF due to slippage in the capital programme.

- 1.11 The yield returned on investment was lower than estimated, but the interest received was higher due to more cash being available to invest in the year – a direct result of the capital programme slippage. Officers have been reporting higher interest receivable and payable and a lower charge for MRP during the year as part of the budget monitoring when reported to councillors during the year.
- 1.12 Detailed information on the return on investments, and interest paid on external debt can be found in section 7 of this report.

2. Recommendation:

The Committee is asked to comment on the following recommendation that will be included in the report on this matter to the Executive on 23 November 2023:

The Executive will be asked to recommend to Council (5 December 2023):

- 2.1. That the capital and investment outturn report be noted.
- 2.2. That the actual prudential indicators reported for 2022/23, as detailed in Appendix 1 to this report, be approved.

3. Reasons for Recommendation:

- 3.1. To comply with the Council's treasury management policy statement, the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on treasury management and the CIPFA Prudential Code for Capital Finance in Local Authorities.
- 3.2. As per the treasury management code although the scrutiny of treasury management (and indeed all finance) has been delegated to the Corporate Governance & Standards Committee, ultimate responsibility remains with full Council, this report therefore fulfils that need.

4. Exemption from publication

No

5. Purpose of Report

- 5.1. The Local Government Act 2003 states that the Council has a legal obligation to have regard to both the CIPFA code of practice on treasury management and the, then, Ministry of Housing, Communities, and Local Government (MHCLG) investment guidance.
- 5.2. The CIPFA treasury management code of practice, and the MHCLG investment guidance requires public sector authorities to produce an annual capital strategy (incorporating capital expenditure, non-treasury investments and treasury management activity).
- 5.3. This report covers the outturn of the elements of the strategy and the requirement to report on the prudential and treasury indicators for the year. The position of the Council's investment property portfolio is also presented along with progress on the capital programme.
- 5.4. The Council borrows and invests substantial sums of money and is, therefore, exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of risks. The Council holds a substantial amount of investment property and has a large capital programme, all of which have risk.
- 5.5. Treasury management is a highly complex, technical, and regulated aspect of local government finance. We have included a glossary of technical terms (**Appendix 10**), to aid the reading of this report.

6. Strategic Priorities

- 6.1. Treasury management and capital expenditure are key functions in enabling the Council to achieve financial excellence and value for

money. It underpins the achievement of all the Corporate Plan 2018-2023 themes.

- 6.2. This report details the activities of the treasury management function and the effects of the decisions taken in the year in relation to the best use of its resources. It also presents the outturn position for the year of the capital programme, and the performance on non-treasury investments.

7. Background

- 7.1. Treasury management and the capital programme are intrinsically linked – the capital programme impacts whether the Council has investments or borrowing, which then informs the revenue budget. Providing the information to councillors in a joint report ensures the context of the two areas to be considered alongside each other.
- 7.2. Treasury management is defined by CIPFA as

“the management of the organisation’s borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”
- 7.3. The Council has overall responsibility for treasury management. Treasury management contains several risks. The effective identification and management of those risks are integral to the Council’s treasury management objectives, as is ensuring that borrowing activity is prudent, affordable, and sustainable.
- 7.4. The Council has a statutory requirement, under the Local Government Act 2003, to adopt the CIPFA Prudential Code and produce prudential indicators.
- 7.5. The objectives of the prudential code are to ensure, within a clear framework, that capital investment plans are affordable, prudent, and sustainable, and the treasury management decisions are taken in accordance with good professional practice.

- 7.6. The Council has a large capital programme and a large investment property portfolio on its balance sheet. These, together with treasury management, are the management of the Council's cash and assets.
- 7.7. The Council operates its treasury management function in compliance with this Code and the statutory requirements.
- 7.8. This annual report, and the appendices attached to it, set out:
- A summary of the economic factors affecting the approved strategy and counterparty updates (sections 4 and 5 with details in Appendix 5)
 - a summary of the approved strategy for 2022/23 (para 7.11 - 7.15)
 - a summary of the treasury management activity for 2022/23 (para 7.16 - 7.30 with detail in Appendix 1)
 - non-treasury investments (para 7.40 – 7.43)
 - capital programme (para 7.44 – 7.46)
 - compliance with the treasury and prudential indicators (para 7.47 – 7.51 with detail in Appendix 1)
 - risks and performance (para 7.52 – 7.62)
 - Minimum Revenue Provision (MRP) (para 7.63 – 7.66)
 - details of external service providers (para 7.67 – 7.68)
 - details of training (para 7.69 – 7.74)

Economic Environment

7.9. This section includes the key points of the economic environment for 2022/23, to show the treasury management activity in context. Appendix 5 contains more detail.

- The war in Ukraine continued to keep global inflation above central bank targets and the UK economic outlook remained relatively weak with the chance of a mild recession.
- Energy and commodity prices remained high along with high inflation impacted on the cost of living.
- Central Banks increased interest rates to try and tackle the high inflation despite potential economic slowdowns.
- The Bank of England increased rates to 4.25% during the financial year, from 0.75% in March 2022.
- There was uncertainty in the financial markets and bond yields were volatile due to concerns over elevated inflation and higher interest rates, as well as a potential recession.
- Over the year, 5-year benchmark yield rose from 1.41% to 3.36% at the end of the year, 10-year 1.61% to 3.49% and 20 year from 1.82% to 3.82%. All three peaked at over 4.5% in September.
- The collapse of US bank Silicon Valley Bank in March increased the uncertainty in the markets.
- Arlingclose reduced its recommended maximum duration limit for unsecured investments to 35 days as a precautionary measure.

7.10. The key points relevant to investment property in the local area are:

- The office market has been subdued, with the exception of the gaming sector.
- The retail market has also been subdued, with little sign of rental values showing a sustained recovery and take up of space as there is a move to more of an online presence.

- A continued strong investment demand for industrial units drove yields down along with an increase in online sales resulting in a surge in demand from E-Commerce and third party logistics firms.
- Guildford's growing reputation as a UK gaming cluster, momentum picked up in the office market in the town centre. Out of town did not fare so well, but schemes are coming forward in the next few years which will boost town centre supply.
- Whilst the cost-of-living crisis has dominated the headlines, this has not been reflected in retail sales, and several new brands have arrived in Guildford, mainly in food and beverage operators. There are still a number of empty shops, although landlords are taking a 10-year approach when renting which shows continued confidence in the local market.

Approved strategy and budgets for 2022/23 - a summary

- 7.11. Council approved the 2022/23 Capital and Investment Strategy in February 2022.
- 7.12. The strategy showed an underlying need to borrow in 2022/23 for the General Fund (GF) capital programme of £90.3 million.
- 7.13. It set out how we would manage our cash. It allowed for internally managed investments for managing cash flow and externally managed and longer-term investments for our core cash (cash not required in the short or medium term). See Appendix 9 for background.
- 7.14. It also highlighted the need to continue to diversify our investment portfolio to reduce credit risk. The approved strategy set the minimum long-term credit rating of A- (or equivalent) for investments in counterparties to be determined as 'high credit' using the lowest denominator principal for the three main credit rating agencies.
- 7.15. Investment property risks were examined in the strategy.

Treasury management activity in 2022/23

7.16. The treasury position at 31 March 2023, compared to the previous year is:

		31 March 2022 (£'000)	Average Rate	31 March 2023 (£'000)	Average Rate
Fixed Rate Debt	PWLB	170,235	3.22%	179,599	3.22%
Temporary borrowing	LAs	138,500	0.17%	115,000	0.51%
Total Debt		308,735	1.73%	294,599	2.51%
Fixed Investments		(99,400)	0.41%	(75,403)	0.97%
Variable Investments		(42,150)	0.28%	(7,029)	1.93%
Externally managed		(15,079)	3.94%	(15,434)	4.58%
Total Investments		(156,629)	1.05%	(97,867)	1.62%
Net Debt / (Investments)		152,106		196,732	

7.17. PWLB is the Public Works Loans Board and is a statutory body operating as an executive of HM Treasury. Its function is to lend money from the National Loans Fund to local authorities and other prescribed bodies.

7.18. The above table shows that net debt has increased overall, which is due to more investments matured than the increase in borrowing.

7.19. We have reduced short-term borrowing in favour of longer term borrowing for WUV.

7.20. We took out another £10 million from the PWLB Infrastructure loan for WUV. The interest on these loans will be capitalised to the scheme so that the borrowing can be repaid from capital receipts

generated on the sale of land as part of the scheme. We have taken out a total of £32.8 million of the £100 million infrastructure rate facility.

- 7.21. We budgeted an investment return of 1.69% for the year and achieved 1.62%.
- 7.22. The Council’s budgeted investment income was £1.278 million, and actual interest was £1.878 million (£600,000 higher). This is mostly due to having more cash due to the slippage in the capital programme.
- 7.23. Our budgeted debt interest payable was £5.987 million. £5.052 million relates to the HRA. The outturn was £5.471 million (£4.799 million for the HRA, and £448,000 WUV which was capitalised).
- 7.24. All our external funds are distributing funds, and they achieved an overall weighted average return of 4.27%, split as follows:

Fund	Balance at 31 March £000	Average return	Type of fund
Aegon	2,406,382	2.43%	Equity focussed
Schroders	732,590	6.08%	Equity focussed with at least 80% on FTSE all share companies
UBS	1,767,992	5.49%	Investments in SMEs up to a max of £2,000
Funding Circle	96,005	5.17%	Multi asset
RLAM	2,132,764	4.92%	Global bond fund
Fundamentum	1,880,000	4.93%	Supported housing
CCLA	6,418,609	4.58%	Property

- 7.25. Our external fund portfolio is diverse, and we invest in a range of products and markets. The capital value of the funds can go up as well as down. Across all funds still held at the end of the year, there was a capital loss of £2.03 million, the biggest movement was on the CCLA fund with a loss of £1.25 million.
- 7.26. We are invested in bond, equity, multi-asset, and property funds. We invest what we call our “core cash” in these funds. Core cash is our cash backed reserves that we know we will not need for liquidity purposes, and we can therefore afford to keep the investment duration longer in a more volatile market to achieve good income returns.
- 7.27. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority’s medium to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three to five-year period total returns will exceed cash interest rates.
- 7.28. The Council also invested more in our subsidiaries and now holds £10.12 million of equity investment in Guildford Borough Council Holdings Ltd and £15.1 million of loans in North Downs Housing Ltd. We are now at the maximum approved level in the company. It has been operating for 5-years and is undergoing a review to ascertain how it has performed over that time frame against its aims, objectives and business plan.
- 7.29. The Council charges 5.5% on the loan to North Downs Housing Ltd. Up until September 2022 interest was rolled up into the loan and is payable from that date. Income has been accrued in the Council’s accounts with a provision set up for non-payment as a prudent measure.
- 7.30. The equity investment in Guildford Borough Council Holdings Ltd will be subject to a dividend if a profit is achieved.

Capital Programme

- 7.31. The actual underlying need to borrow for the year, and the amount of internal borrowing actually taken, for the GF capital programme was £140 million, which is lower than budgeted of £150 million because of slippage in the capital programme, and also unbudgeted for capital contributions received. We will continue to support service managers with the scheduling of schemes in the capital programme to ensure it is kept up to date when project timescales change.
- 7.32. The Council must charge a Minimum Revenue Provision (MRP) on its internal borrowing, which is setting aside cash from council tax to repay the internal borrowing. MRP charged to the revenue account for the year was £1.53 million, against an original budget of £1.52 million.
- 7.33. Our overall underlying need to borrow, as measured by the Capital Financing Requirement (CFR) was £381 million (£182 million relates to the GF).
- 7.34. MRP is charged the year after the internal borrowing occurred. During the budget process we adjust the MRP to allow for slippage so as not to over budget.

Benchmarking and Performance Indicators

- 7.35. Arlingclose provide benchmarking data across their clients (“client universe”). It highlights the effect of changes in our investment portfolio and compares the basis of size of investment, length of investment and the amount of credit risk taken.
- 7.36. The benchmarking shows a snapshot of our average running yield on all investments, also split between internally managed and externally managed. The latest benchmarking data (at 31 March 2023), shows our average rate of investments for our total portfolio as being 2.60% against the client universe of 3.66%. The table shows that we have underperformed our investments compared to the client universe which is due to us having lower investments in the year than previously.

Benchmark	Guildford	Client Universe
Internally managed return	2.33%	3.67%
Externally managed (return only)	4.19%	3.93%
Total Portfolio	2.60%	3.66%
% of investments subject to bail in	21%	59%
No. of counterparties/funds	30	12

- 7.37. The difference in our return as part of the benchmarking (2.60%) and our own return (1.62%) is due to a different calculation in the way Arlingclose put the benchmarking return together.
- 7.38. The table above shows how far the Council has come to mitigate bail in risk – closing the year at 21% of investments subject to bail in. This percentage will change during the course of the year depending on the level of cash we have and what we are invested in.
- 7.39. One of our key areas in our treasury strategy is to maintain diversification in the portfolio. The number of counterparties and funds we are investing in are far higher than the client universe and shows that we have achieved our aim. This level of diversification will change at different points in the year, however.

Non-treasury investments

- 7.40. Appendix 2 sets out the Council investment property fund portfolio report for 2022/23. The key points are summarised below:

Sector	No. of assets	Sub-category	No. of assets
Office	6		

Industrial	68		
Retail	9	Shops Shopping centres	7 2
Alternatives	17	Nightclub/pub Petrol station Car Park Education/Community Barn Restaurant Water treatment works Theatre	3 1 4 3 2 2 1 1
TOTAL	100		

- 7.41. Fund statistics: the fund was valued at circa £178 million with a rent roll of £9.1 million from 100 properties across 4 sectors, representing a total return of 5.7% gross yield.
- 7.42. The performance shows that our portfolio has performed better than our benchmark.
- 7.43. In response to the PWLB’s new rules during 2020/21, which have been reaffirmed in the CIPFA codes of practice, we have amalgamated the asset investment fund into the strategic acquisition fund and will be assessing all potential acquisitions against the strategic property acquisition procedure approved by the Executive in January 2021. We are only looking to invest in the Borough as per our policy and only for strategic or regeneration purposes.

General Fund Capital Programme

- 7.44. Appendix 3 sets out the actual expenditure on capital schemes, compared to the updated estimates, together with reasons for variances. Overall, we spent £122.1 million (78%) less on capital schemes than we originally estimated and £134.3 million (79%) less than the revised estimate, the schemes with more than £1 million variance to budget relate to:

- WUV – spend in 2023/24
- Ash Road Bridge – spend in 2023/24
- Midleton Industrial Estate – spend in 2023/24
- Property acquisitions – reprofiled into the future
- Shaping Guildford’s Future – reprofiled into the future
- Vehicle replacement programme – spend in 2023/24
- Investment into North Downs Housing, both loan and equity – reprofiled into the future
- Guildford West station – reprofiled into the future

7.45. There are significant variations on other approved schemes under £1 million, as detailed in the appendix.

7.46. The table below summarises our capital expenditure and variances in the year:

	Original estimate (£m)	Revised estimate (£m)	Actual (£m)	Variance to revised (£m)
GF approved programme	111.9	122.9	34	88.9
GF provisional programme	44.5	43.7	0	43.7
GF Schemes financed from reserves	1.6	2.7	1.1	1.6
Total	158	169.3	35.1	134.2

Compliance with treasury and prudential indicators

7.47. The CIPFA prudential code and treasury management code of practices require local authorities to set treasury and prudential indicators.

- 7.48. The objectives of the Prudential Code, and the indicators calculated in accordance with it, provide a framework for local authority capital finance that will ensure:
- Capital expenditure plans are affordable,
 - All external borrowing and other long-term liabilities are within prudent and sustainable limits,
 - Treasury management decisions are taken in accordance with professional good practice and
 - In taking the above decisions, the Council is accountable by providing a clear transparent framework.
- 7.49. The Prudential Code requires the Council to set a number of prudential indicators for the following and two subsequent financial years, and to monitor against the approved indicators during the year. We can revise these indicators during the year but need full Council approval.
- 7.50. Officers can confirm that the Council has complied with its prudential indicators for 2022/23, (see Appendix 1 for the outturn figures), its treasury management policy statement and its treasury management practices.
- 7.51. We have adhered to the approved treasury management strategy by:
- Financing of capital expenditure from government grants, usable capital resources, revenue contributions and cash flow balances rather than from external borrowing
 - Taking a prudent approach in relation to the investment activity in the year, with priority given to security and liquidity over yield
 - Maintaining adequate diversification between counterparties
 - Forecasting and managing cash flow to preserve the necessary degree of liquidity.

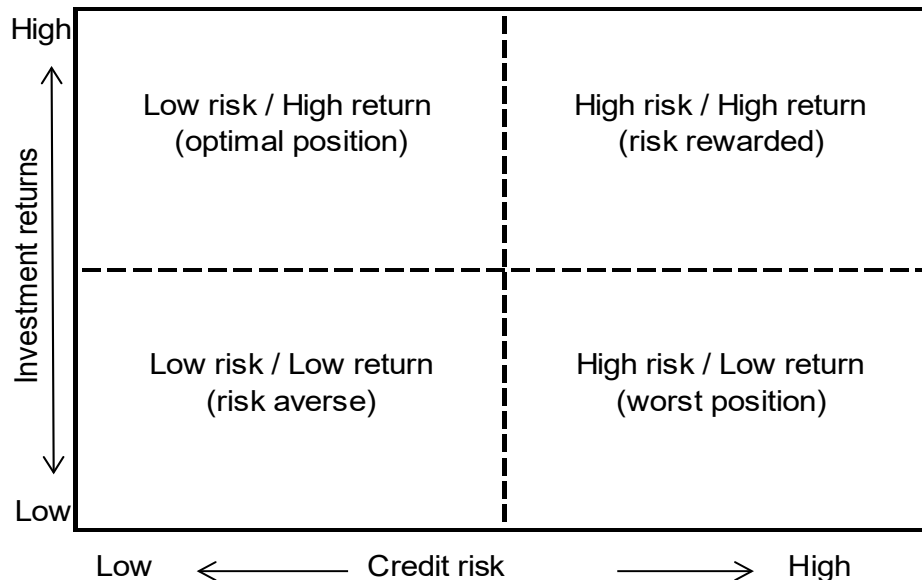
Risks and performance

- 7.52. The Council considers security, liquidity, and yield, in that order, when making investment decisions.
- 7.53. The Council has complied with all the relevant statutory and regulatory requirements, which limit the level of risk associated with its treasury management activities. In particular, its adoption and implementation of both the prudential code and treasury management code of practice means our capital expenditure is prudent, affordable and sustainable, and our treasury practices demonstrate a low-risk approach.
- 7.54. Short-term interest rates and likely movements in these rates, along with our projected cash balances, determine our anticipated investment return. These returns can be volatile and whilst, loss of principal is minimised through the annual investment strategy, accurately forecasting future returns can be difficult.
- 7.55. Under accounting rules, if the Council were to lose any of its investments, the GF will carry the loss, even if the cash lost is HRA cash. Interest is given to the HRA as per the Item 8 calculation as a set calculation for councils.
- 7.56. The Council invests in externally managed funds. These are more volatile than cash investments but can come with a higher return. Officers continually review our funds to ensure they still have a place in the portfolio. We view most of our funds over a three to five-year time horizon to take account of their potential volatility – they are not designed to be short-term investments, despite being able to get the money from them quickly.

Credit developments and credit risk management during the year

- 7.57. Security of our investments is our key objective when making treasury decisions. We therefore manage credit risk through the limits and parameters we set in our annual treasury management strategy. One quantifiable measure of credit quality we use is to allocate a score to long-term credit ratings. Appendix 8 explains the scoring in more detail.

7.58. This is a graphical representation used in the Arlingclose benchmarking:



7.59. Typically, we should aim to be in the top left corner of the chart where we get a higher return for lower risk. In the actual benchmarking, for average rate versus credit risk (value weighted) we were above the average of all clients and were in the top left box towards the middle vertical line. For time weighted we are well within the top left box (see Appendix 6 for the two charts).

7.60. We set our definition of high credit quality as a minimum long-term credit rating of A-, which attracts a score of 7. The lower the score, the higher the credit quality of the investment portfolio.

7.61. The table below shows that at each quarter date, the weighted average score of our investment portfolio, on a value weighted and a time weighted basis is well within our definition of high credit quality, ending the year at 4.88 (A+) and 3.07 (AA).

Date	Value Weighted Avg Credit Risk Score	Value Weighted Avg Credit Rating	Time Weighted Avg Credit Risk Score	Time Weighted Avg Credit Rating	Average Life (days)
31-03-22	4.39	AA-	4.36	AA-	214
30-06-22	4.68	A+	4.97	A+	237
30-09-22	4.59	A+	3.93	AA-	265
31-12-22	4.67	A+	3.47	AA	223
31-03-23	4.88	A+	3.07	AA	192

7.62. We have maintained security throughout the year within the portfolio on a value weighted basis and are slightly riskier than the client universe of 4.71/A+. We are less risky on a time weighted basis than the client universe of 4.56/A+ and have significantly reduced our risk over the year in our portfolio. We do have a much longer duration (ours is 192 days compared to the universe of 12 days) and this is due to us having a large portion of investments of covered bonds in the portfolio, which can be sold on the secondary market if required. The longer duration is with AAA rated covered bonds, so this has enhanced the security of the portfolio.

Minimum Revenue Provision (MRP)

7.63. The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2003 (SI 2003 No 414) place a duty on local authorities to make a prudent provision for debt redemption. Making an MRP reduces the Capital Financing Requirement (CFR) and leaves cash available to replenish reserves used for internal borrowing or making external debt repayments. There are three options for applying MRP available to us:

- Asset life method

- Depreciation method
- Any other prudent method

7.64. Any other prudent method means we can decide on the most appropriate method depending on the capital expenditure.

7.65. The latest MRP policy was approved by Council in February 2022, and stated that:

- The Council will use the asset life method as its main method, but will use annuity for investment property,
- In relation to expenditure on development, we may use the annuity method starting in the year after the asset becomes operational,
- Where we acquire assets ahead of a development scheme, we will charge MRP based on the income flow of the asset or as service benefit is obtained, and will not charge MRP during construction, refurbishment or redevelopment,
- We will apply a life of 50 years for the purchase of land and schemes which are on land (for example transport schemes)
- Where loans are made to other bodies for their capital expenditure, no MRP will be charged, where the other body is making principal repayments of that loan as well as interest. However, the capital receipts generated by the loan principal repayments on those loans will be put aside to reduce the CFR,
- For investments in shares classed as capital expenditure, we will apply a life related to the underlying asset in which the share capital has been invested,

7.66. The unfinanced capital expenditure in 2022/23 of £26 million related to Weyside Urban Village project, loan/equity to North Downs Housing Ltd, Midleton, Walnut Bridge, and transport schemes MRP will be chargeable to the revenue account the later of the next financial year or when the asset goes into use.

External service providers

- 7.67. The Council reappointed Arlingclose as our treasury management advisers in March 2022 ending on 31 March 2027. The Council is clear what services it expects and what services Arlingclose will provide under the contract.
- 7.68. The Council is clear that overall responsibility for treasury management remains with the Council.

Training

- 7.69. CIPFA's revised treasury management code of practice suggests that best practice is achieved by all councillors tasked with treasury management responsibilities, including scrutiny of the treasury management function, receiving appropriate training relevant to their needs and that they should fully understand their roles and responsibilities.
- 7.70. The MHCLG's revised investment guidance also recommends that a process is in place for reviewing and addressing the needs of the Council's treasury management staff for training in investment management.
- 7.71. Following the revised CIPFA code of practice and the stated requirement that a specified body be responsible for the implementation and regular monitoring of the treasury management policies, we use the Corporate Governance and Standards Committee to scrutinise the treasury management activity of the Council.
- 7.72. Training on treasury management will be given to new councillors and in particular the group leaders and members of the Corporate Governance and Standards Committee.
- 7.73. Officer training is undertaken on a regular basis, by attending workshops held by Arlingclose, and seminars or conferences held by other bodies, such as CIPFA. On the job training and knowledge sharing are undertaken when required. Those involved in treasury management are either a fully qualified accountant, or AAT qualified. The Lead Specialist for Finance, and Deputy s151 officer holds the

‘Certificate in International Treasury Management for Public Finance’ qualification, which is a joint qualification between the ACT (Association of Corporate Treasurers) and CIPFA.

- 7.74. Certain officers of the Council are deemed professional by the financial industry and therefore demonstrate the level of skill and expertise in the treasury function to ensure the Council retains professional status under the MiFID II regulations.

8. Consultations

- 8.1. Officers have consulted with the Lead Councillor for Finance and Property.

Comments from Corporate Governance and Standards Committee

- 8.2. Comments to be inserted following its meeting on 16 November

9. Key Risks

- 9.1. This is a backward-looking report, and the mitigation of risks has been highlighted throughout the report.

10. Financial Implications

- 10.1. The detailed financial implications are summarised above and in Appendix 1

11. Legal Implications

- 11.1. A variety of professional codes, statutes and guidance regulate the Council’s treasury management activities. These are:
- The Local Government Act 2003 (“the Act”) provides the powers to borrow and invest. It also imposes controls and limits on these activities.
 - The Act permits the Secretary of State to set limits on either the Council or nationally on all local authorities restricting the

amount of borrowing which may be undertaken. There are no current restrictions.

- The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 - Statutory instrument 3146 (2003) ("The SI"), as amended, develops the controls and powers within the Act.
- The SI requires the Council to undertake any borrowing with regard to the prudential code. The prudential code requires indicators to be set – some of which are limits – for a minimum of three forthcoming years.
- The SI also requires the council to operate the treasury management function with regard to the CIPFA treasury management code of practice.
- Under the terms of the Act, the Government issued "investment guidance" to structure and regulate the Council's investment activities. The emphasis of the guidance is on the security and liquidity of investments.

12. Human Resource Implications

- 12.1. There are no human resource implications arising from this report other than the training discussed in section 14, which is already in place.

13. Equality and Diversity Implications

- 13.1. This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report.

14. Climate Change/Sustainability Implications

- 14.1. There are no direct implications.

15. Summary of Options

- 15.1. We could have invested in lower credit quality investments, but this would have increased our risk exposure.
- 15.2. We could have borrowed longer-term for our capital programme but would have suffered a cost of carry due to the slippage in the programme.

16. Conclusion

- 16.1. The Council has complied with the objectives of the CIPFA treasury management code of practice by maintaining the security and liquidity of its investment portfolio.
- 16.2. We maintained the security of our investment portfolio and did not borrow long-term in advance of need.
- 16.3. We have also complied with the requirements of the prudential code by setting, monitoring and staying within the prudential indicators set, except the variable limit on net investments due to higher investment balances than when the indicator was set.

17. Background Papers

- CIPFA Treasury Management in the Public Services – Code of Practice and Cross Sectoral Guidance Notes (2021 edition)
- CIPFA Treasury Management in the Public Services – Guidance Notes for Local Authorities including Police Authorities and Fire Authorities (2021 edition)
- CIPFA the Prudential Code for Capital Finance in Local Authorities (2021 edition)
- CIPFA the Prudential Code for Capital Finance in Local Authorities – Guidance Notes for Practitioners (2021 edition)
- Capital and Investment Strategy 2022/23

18. Appendices

Appendix 1: Treasury management activity, treasury and prudential indicators 2022/23

Appendix 2: Investment property fund portfolio report 2022/23

Appendix 3: capital programme at 31 March 2023

Appendix 4: schedule of investments at 31 March 2023

Appendix 5: economic background – a commentary from Arlingclose

Appendix 6: benchmarking graphs

Appendix 7: credit score analysis

Appendix 8: credit rating equivalents and definitions

Appendix 9: background to externally managed funds

Appendix 10: glossary

Treasury Management activity and treasury and prudential indicators 2022/23

1. Introduction

- 1.1 The treasury management service is an important part of the overall financial management of the council. Whilst the prudential indicators consider the affordability and impact of capital expenditure decisions, the treasury service covers the effective funding of these decisions.
- 1.2 Strict regulations, such as statutory requirements and the CIPFA treasury management code of practice (the TM Code) govern the council's treasury activities, and the Prudential Code and MHCLG Investment Guidance non-treasury investments.
- 1.3 The Council holds a substantial amount of Investment property (non-treasury investment) and has a large capital programme which directly impacts on the treasury management decisions the Council may make.

2. Treasury management activity

- 2.1 The council has an integrated capital and investment strategy and manages its cash as a whole in accordance with its approved strategy. Therefore, overall borrowing may arise because of all the financial transactions of the council (for example, borrowing for cash flow purposes) and not just those arising from capital expenditure reflected in the Capital Financing Requirement (CFR).

Investments

- 2.2 The then Ministry of Housing, Communities and Local Government (MHCLG) Investment Guidance requires local authorities to focus on security and liquidity rather than yield.
- 2.3 CIPFA published a revised Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes on 20 December 2021. These define treasury management investments as:

“investments that arise from the organisation’s cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business”.

- 2.4 Both the CIPFA Code and government guidance requires local authorities to invest funds prudently, and to have regard to the security and liquidity of investments before seeking the highest rate of return, or yield. The main objective, therefore, when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 2.5 The Bank of England increased the official bank rate to 4.25% during the financial year, starting at 0.75% in March 2022. Inflation remained stubbornly high throughout the period. There was a lot of uncertainty in the financial markets, and Arlingclose reduced the recommended investment duration to 35 days for unsecured bank investments as a precautionary measure. Local authorities remain under financial pressure but Arlingclose continue to take a positive view of the sector. Higher returns on cash investments have made a positive addition to the General Fund.
- 2.6 Security of capital remains our main objective when placing investments. We maintained this during the year by following our investment policy, as approved in our treasury management strategy 2022/23, which defined “high credit quality” counterparties as those having a long-term credit rating of A- or higher.
- 2.7 Investments during the year included:
- investments in AAA rated constant net asset money market funds
 - call accounts and deposits with banks and building societies systemically important to each country’s banking system. We do have some investments with overseas banks, but in sterling
 - other local authorities
 - corporate bonds
 - covered bonds

- pooled funds without a credit rating, but only those subject to an external assessment

2.8 We divided our investments into three types

- short-term (less than one-year) internally managed cash investments
- long-term internally managed investments
- externally managed funds

2.9 Cash balances consisted of working cash balances, capital receipts, and council reserves.

2.10 The table below shows our investment portfolio, at 31 March 2023, compared to 31 March 2022. **Appendix 4** contains a detail schedule of investments outstanding at the end of the year.

Investment details	Balance at 31-03-22 £m	Weighted Avg Return for Year	Balance at 31-03-23 £m	Weighted Avg Return for Year
Internally Managed Investments				
Fixed Investments < 1 year to cover cash flow	41.00	0.46%	60.20	0.70%
Corporate bonds	4.00	0.14%	5.16	1.54%
Long term bonds	15.00	0.29%	10.05	2.53%
Notice Accounts	3.00	0.40%	3.13	2.27%
Call Accounts	2.25	0.01%	0.00	0.25%
Money Market Funds	31.90	0.07%	3.90	2.01%
Long term investments > 1 year	39.40	0.40%	0.00	0.70%
Externally Managed Funds				
Funding circle	0.21	10.90%	0.10	5.17%
Cash plus	5.00	0.00%	0.00	0.00%
CCLA	7.67	4.41%	6.42	4.58%
Fundamentum	2.07	1.65%	1.88	4.93%
RLAM	2.25	4.79%	2.13	4.92%
M&G	0.00	3.25%	0.00	0.00%
Aegon	0.00	0.00%	2.41	2.43%
Schroders	0.77	7.31%	0.73	6.08%
UBS	2.11	4.71%	1.77	5.49%
Total Investments	156.63	0.65%	97.87	1.62%

- 2.11 Our level of investments decreased during 2022/23, and we achieved a higher return than last year. Interest rates have increased to help alleviate the impact of Inflation in the Economy. The portfolio will have lower rates until fixed investments mature and can be reinvested at the higher rates. FRN Bonds in the main have a quarterly reset date and will increase sooner than fixed term deposits with a maturity date, and other variable rate investments increase with base rate increases.
- 2.12 The Councils also holds £9.1 million equity investments in Guildford Holdings Ltd and invested £19 million in North Downs Housing Ltd.
- 2.13 We are earning an interest return of 5.5% on the investment in North Downs Housing, as per the loan agreement. This is higher than the return earned on treasury investments but currently reflects the additional risks to the Council of holding the investment, but is more in line with the Bank of England base rate.

Security of investments

- 2.14 Counterparty credit quality was assessed and monitored with reference to credit ratings; financial institutions analysis of funding structure and susceptibility to bail-in, credit default swap prices; financial statements; information on potential government support and reports in the quality financial press.
- 2.15 We also considered the use of secured investment products that provide collateral in the event that the counterparty cannot meet its obligations for repayment.
- 2.16 The minimum long-term counterparty credit rating for 'high quality counterparties' approved for 2022-23 was A-/A3 across all three main credit rating agencies (Fitch, S&P, and Moody's).
- 2.17 The strategy set different limits for different counterparty credit ratings both in maximum duration and exposure in monetary terms.
- 2.18 We also can invest in non-rated institutions subject to due diligence.

Liquidity of investments

- 2.19 In keeping with the MHCLG's Guidance on Investments, the council maintained a sufficient level of liquidity using money market funds, call

accounts, the maturity profile of fixed investments and short-term borrowing from other local authorities.

- 2.20 We use PSLive as our daily cash flow forecasting software to determine the maximum period for which funds may prudently be committed.

Yield of investments

- 2.21 The council sought to optimise returns commensurate with its objective of security and liquidity. The Bank of England base rate has increased during the year: please refer to paragraph 8 in appendix 9 of the Arlingclose Economic background commentary.
- 2.22 We invested in longer-term covered bonds, which increased the return of the portfolio and the duration. Bonds can be sold in the secondary market should we need the liquidity, and the variable rate bonds reset every quarter allowing increases in interest rate in line with the market increases.
- 2.23 The council's budgeted investment income for the year was £1.278 million and actual interest was £1.9 million, at a weighted average yield of 1.62% (excluding North Downs Housing).

Externally managed funds

- 2.24 We estimate to have cash balances over the medium-term (our "core" cash as identified in the Councils liability benchmark), and as such we have continued investing in pooled (cash-plus, bond, equity, multi-asset and property) funds. These funds have allowed us to diversify into asset classes other than cash without the need to own and manage the underlying investments. These funds operate on a variable net asset value (VNAV) basis offer diversification of investment risk, coupled with the services of a professional fund manager; they also offer enhanced returns over the longer term but are more volatile in the short term. All of our pooled funds are in the respective funds distributing share class, which pay out the income generated. They have no defined maturity date, but are available for withdrawal, some with a notice period.
- 2.25 For fixed income bond investors, 2022 was a very difficult year - bonds had their worst year of performance in several decades; long-term government bonds had their worst year ever as central banks delivered larger interest rates hikes than initially expected and promised more to

combat inflation. As policy rates rapidly rose from very low levels, bond investors suffered large crystallised or unrealised losses from rising sovereign and corporate bond yields (i.e. falling prices) as well as from widening credit spreads as concern grew over the risk of defaults in a recessionary environment. The return on the All-Gilts index was -16.3% over the 12 months to March 2023. Negative yielding bonds all but disappeared globally.

- 2.26 UK and global equities remained volatile against a backdrop of high and sticky inflation, rapid policy rates tightening and an increasing risk of recession. There was a large sell-off in global equities in April, and again in June and September for both UK and global equities. The total return on the FTSE All Share index for the 12 months ending March 2023 was 2.9% and 5.4% for the FTSE 100.
- 2.27 The negative correlation between bonds and equities, which had featured for some years, turned positive in 2022 as both bonds and equities sold off simultaneously against an outlook of sticky inflation and high interest rates. Simultaneously, tighter financial conditions, higher bond yields and challenges in some segments of commercial real estate (e.g. offices post-COVID, high street shops and shopping centres) saw commercial property values fall during 2022, with a large fall in the final calendar quarter.
- 2.28 Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's medium- to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates.
- 2.29 The details of our external funds are show in the table at para x.

Borrowing and debt management

- 2.30 The council's debt portfolio is detailed in the table below. Our loan portfolio decreased by £14 million due to repaying some of the short-term loans (£23.5 million), partly replacing with longer-term PWLB loans for WUV (£9.4 million). Short-term borrowing rates increased in line

with the Bank of England base rate, as such the average weighted interest rate is higher than 2021/22.

		31 March 2022 (£'000)	Average Rate	31 March 2023 (£'000)	Average Rate
Fixed Rate Debt	PWLB	170,235	3.22%	179,599	3.22%
Variable Rate Debt	PWLB	0	0.00%	0	0.00%
Long-term	LAs	0	0.00%	0	0.00%
Temporary borrowing	LAs	138,500	0.17%	115,000	0.51%
Total Debt		308,735	1.73%	294,599	2.51%

- 2.31 Our primary objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should our long-term plans change being a secondary objective.
- 2.32 We also have short-term loans outstanding at the end of the year which we took out for cash flow purposes, from other local authorities. Temporary and short-dated loans borrowed during the year from other local authorities remained affordable and attractive.
- 2.33 Affordability and the “cost of carry” remained important influences on our long-term borrowing strategy alongside the consideration that, for any borrowing undertaken ahead of need, the proceeds would be invested at rates of interest significantly lower than the cost of borrowing. As short-term interest rates have remained lower than long-term rates, the council determined it was more cost effective in the short-term to use internal resources and borrow short-term to medium-term instead.
- 2.34 A new HRA PWLB rate of gilt yield plus 0.4% (0.4% below the currently available certainty rate) was announced on 15th March 2023. This discounted rate is to support local authorities borrowing for Housing Revenue Accounts and the delivery of social housing and is expected to be available from June 2023, initially for a period of one year.
- 2.35 The Councils borrowing position is monitored regularly as to whether it is more beneficial to externalise borrowing now or whether to continue internal borrowing based on predicted future borrowing costs (which are likely to be higher), however the availability of internal borrowing is severely reduced and the high value capital projects currently approved

will require external funding. Arlingclose assist us with this 'cost of carry' and break-even analysis.

- 2.36 Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management. Misuse of PWLB borrowing could result in the PWLB requesting that Council unwinds problematic transactions, suspending access to the PWLB and repayment of loans with penalties.
- 2.37 Competitive market alternatives may be available for authorities with or without access to the PWLB. However, the financial strength of the individual authority and borrowing purpose will be scrutinised by commercial lenders.

3. Treasury and prudential indicators

- 3.1 The Local Government Act 2003 requires local authorities to have regard to the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent, and sustainable, and that treasury decisions are taken in accordance with good professional practice. To demonstrate the Council has fulfilled these objectives, the Prudential Code sets various indicators that must be set and monitored each year.
- 3.2 The CFO confirms that we have complied with our prudential indicators for 2022/23, which were approved in February 2022 as part of the treasury management strategy statement. The CFO also confirms that we have complied with our treasury management policy statement and treasury management practices during 2022/23.

Balance sheet and treasury position prudential indicator

- 3.3 The capital financing requirement (CFR) measures the council's underlying need to borrow for a capital purpose. Over the medium-term, borrowing must be only for a capital purpose, although in the short-term, we can borrow for cash flow purposes, which does not affect the CFR.
- 3.4 The council's CFR for 2022/23 is shown in the following table

Capital Financing Requirement	2022/23 Approved Estimate £000	2022/23 Revised Estimate £000	2022/23 Actual £000
HRA			
Opening balance (01 Apr 22)	207,024	199,204	199,204
Movement in year: Unfinanced cap exp	10,000	0	0
Closing balance (31 Mar 23)	217,024	199,204	199,204
General Fund			
Opening balance (01 Apr 22)	156,891	156,891	157,217
Movement in year: Unfinanced cap exp	90,314	37,000	26,034
Movement in year: MRP	(1,344)	(1,344)	(1,527)
Closing balance (31 Mar 23)	245,861	192,547	181,724
Total			
Opening balance (01 Apr 22)	363,915	356,095	356,421
Movement in year: Unfinanced cap exp	100,314	37,000	26,034
Movement in year: MRP	(1,344)	(1,344)	(1,527)
Closing balance (31 Mar 23)	462,885	391,751	380,928
Balances and Reserves	(159,888)	(159,888)	153,140
Cumulative net borrowing requirement / (investments)	302,997	231,863	534,068

- 3.5 The GF unfinanced capital expenditure mainly relates to WUV, transport schemes and loan / equity to North Downs housing. This is lower than budgeted because of the slippage in the capital programme – we projected some slippage during the year, which is shown by the revised estimate (as in the strategy report presented to Council in February 2023) and is reflected in the 2022/23 MRP budget.
- 3.6 We budgeted an underlying need to borrow of £158 million for 2022/23, and our actual underlying need to borrow was £26.3 million because of slippage in the capital programme and also a higher amount of capital receipts/grants than anticipated.

Gross debt and the CFR

- 3.7 We monitor the CFR to gross debt continuously to ensure that, over the medium term, borrowing is only for a capital purpose and does not exceed the CFR. This is a key indicator of prudence. We will report any deviations to the CFO for investigation and appropriate action. The following table shows the council is in a net internal borrowing position and gross debt does not exceed the CFR over the period.

Gross Debt and the CFR	2022/23 Actual £000
General Fund CFR	175,040
HRA CFR	199,204
Total CFR (at 31 March)	374,244
Gross External Borrowing	(294,599)
Net (external) / internal borrowing position	79,645

- 3.8 Actual debt levels are monitored against the operational boundary and authorised limit for external debt, detailed in paragraph 3.20 to 3.25.
- 3.9 We are showing as being internally borrowed up to £80 million in at the end of March 2022.

Capital expenditure prudential indicator

3.10 This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits, and, in particular, to consider the impact on council tax or housing rent levels for the HRA.

3.11 The following table shows capital expenditure by project in the year, compared to the original estimate approved by the Executive in January 2022.

Projects	Original Estimate (£'000)	Actual (£'000)	Variance (£'000)
<u>Housing Revenue Account</u>			
HRA Capital Programme	60,190	26,355	(33,835)
Total Housing	60,190	26,355	(33,835)
<u>General Fund</u>			
Infrastructure	3,250	259	(2,991)
Strategic Property	24,992	909	(24,083)
Ash road bridge & Footbridge	19,169	2,820	(16,349)
NDH/GHL	1,783	2,429	646
Midleton redevelopment	5,557	3,549	(2,008)
WUV	52,730	19,566	(33,164)
Other General Fund Projects	6,144	5,913	(231)
Provisional schemes	44,486	0	(44,486)
Total General Fund	158,111	35,445	(122,666)
Total Capital Programme	218,301	61,800	(156,501)

3.12 The table shows that there was significant slippage in the capital programme. This was mainly over a few larger schemes including:

- WUV because of the discussions with Homes England and the affordability mitigation plan

- Shaping Guildford Future – it was identified the works were not at a stage where they can be capitalised.
- Property acquisitions – in light of the changes to the PWLB lending arrangements the Council is only pursuing purchases for strategic purposes and there were no such properties forthcoming in the year.
- provisional schemes were re-profiled during the year, and include:
 - vehicles and plant purchase – discussions around the fuel type of the new vehicles delayed the spend
 - Loan and Equity purchase into North Downs Housing – this was delayed pending discussions around the future of the company
 - Guildford West

3.13 The following table shows the financing of capital expenditure in the year, compared with the original approved estimate.

CAPITAL EXPENDITURE - SUMMARY	Original Estimate (£'000)	Actual (£'000)
General Fund Capital Expenditure Financed by:		
- Borrowing/Use of Balances	(108,801)	(26,082)
- Capital Receipts	0	(286)
- Capital Grants/Contributions	(47,472)	(6,802)
- Capital Reserves/Revenue	(1,838)	(2,275)
HRA Capital Expenditure Financed by:		
- Capital Receipts	(8,540)	(2,819)
- Capital Reserves/Revenue	(51,650)	(23,536)
Financing - Totals	(218,301)	(61,800)

3.14 GF borrowing was less than budgeted because of slippage in the capital programme, which reduced the need for internal borrowing in the year.

Ratio of financing costs to the net revenue stream prudential indicator

3.15 This is an indicator of affordability and highlights the revenue impact of capital expenditure by identifying the proportion of the revenue budget required to meet the financing costs associated with capital spending. Financing costs include interest on borrowing, MRP, premium or discount on loans repaid early, investment income and depreciation where it is a real charge.

3.16 Depreciation is not a real charge to the GF but has been to the HRA since April 2012.

3.17 The ratio is based on costs net of investment income.

3.18 The net revenue stream for the GF is the total budget requirement and for the HRA is total income. The total budget requirement for the GF used is the 2022/23 budget.

	2022/23 Original Estimate	2022/23 Actual
General Fund	8.42%	9.25%
HRA	32.49%	30.25%

3.19 The GF is higher than originally estimated because the interest payable to HRA on its balances was higher than estimated due to the increase in interest rates. HRA is lower because HRA interest on reserves was higher than budgeted due to the increase in the investment rates.

The authorised limit prudential indicator

3.20 The Local Government Act 2003 requires the council to set an affordable borrowing limit, irrespective of the indebted status. This is a statutory limit, which we cannot breach.

3.21 The limit is the maximum amount of external debt we can legally owe at any one time. It is expressed gross of investments and includes capital

expenditure plans, the CFR and cash flow expenditure. It also provides headroom over and above for unexpected cash movements.

3.22 The limit was set at £553 million for the year and the highest level of debt was £314 million.

3.23 We measure the levels of debt on an ongoing basis during the year for compliance. The CFO confirms there were no breaches to the authorised limit in 2022-23.

The operational boundary prudential indicator

3.24 The operational boundary, based on the same estimates as the authorised limit, reflects the most likely, prudent but not worst-case scenario. It does not allow for additional headroom included in the authorised limit.

3.25 The limit was set at £494 million for the year and the highest level of debt was £314 million.

Maturity structure of borrowing treasury indicator

3.26 The aim of this indicator is to control our exposure to refinancing risk (large concentrations of debt needing refinancing at once).

31 st March 2022 £'000	Loans Maturity (Liquidity Risk)	31 st March 2023 £'000
134,136	Less than 1 year	126,545
10,318	Over 1 year but not over 2 years	11,545
32,227	Over 2 years but not over 5 years	24,636
58,182	Over 5 years but not over 10 years	62,727
25,636	Over 10 years but not over 15 years	909
32,435	Over 15 years but not over 20 years	57,435
10,800	Over 45 years	10,800
303,734	Total	294,597

3.27 The above table shows the amount of debt maturing in each period and its percentage of total fixed rate loans. That less than 12 months is mainly made up of short-term borrowing.

Actual external debt treasury indicator

3.28 This indicator comes directly from our balance sheet. It is the closing balance for actual gross borrowing (short and long term) plus other deferred liabilities. It is measured in a manner consistent for comparison with the authorised limit and operational boundary.

3.29 Actual external debt (as per 3.7) stood at £295 million.

Upper limit for total principal sums invested over 1 year

3.30 The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the council having to seek early repayment of the sums invested.

3.31 Our limit was set at £50 million we ended the year with exposure of £35 million.

3.32 As mentioned earlier in the report, many of our long-term investments are covered bonds, which can be sold on the secondary market. There could be a price differential if they were sold, but it is unlikely to be material.

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GBC INVESTMENT PROPERTY FUND PORTFOLIO ANNUAL REPORT

Fund Report – 2022/23

OBJECTIVE OF FUND

The investment property portfolio aims to provide a secure level of income for the Council and seeks to maintain and grow capital values of the properties held in the portfolio. This is achieved by keeping vacancy and associated costs to a minimum and by growing income through new lettings, rent reviews, refurbishments, active asset management, and investment in a diversified commercial property portfolio.

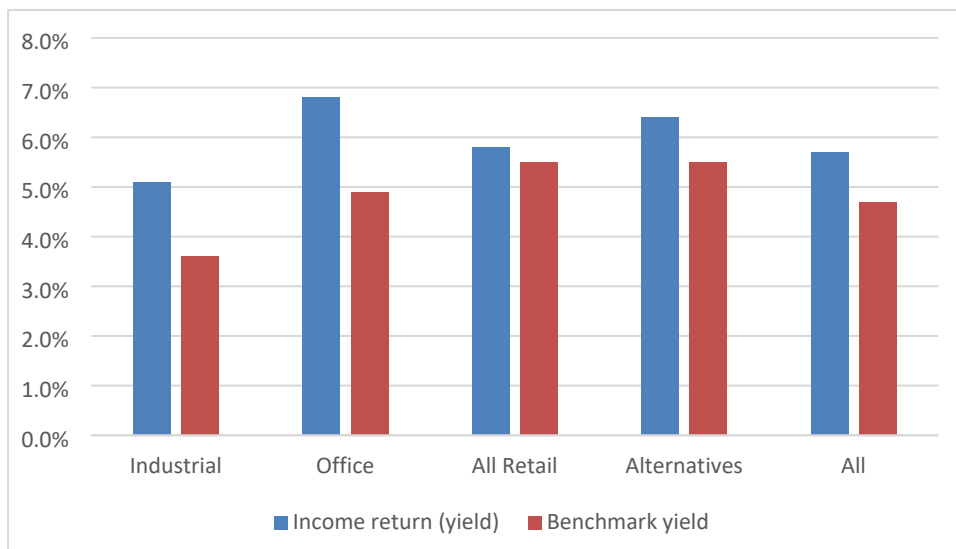
KEY POINTS – 2023 VALUATION

- Fund size c.£168 million
- Rental income £9.5 million p.a.
- 100 Assets over 4 main sectors
- High yielding (5.7% gross yield)
- Low vacancy rate (4.19%)
- Long average unexpired lease terms

TOP FIVE SINGLE INVESTMENTS

1. Wey House, Farnham Rd 
2. Middleton Enterprise Park (phase 2-3) 
3. Moorfield Point, Slyfield 
4. Friary Street, West Side 
5. 10 Middleton Road (Lexicon House) 

FUND PERFORMANCE AGAINST UK BENCHMARK 2022/23



NB: Benchmarking taken from MSCI data – calculated as average over the year.

KEY ACQUISITIONS & DISPOSALS 2022/23

The Asset Investment Strategy set out the Council’s objective to increase its rental income through new commercial property acquisitions. However, HM Treasury introduced new guidance in 2022 that limits opportunities for all Local Authorities to borrow from the Public Works Loan Board (PWLB) and Local Authorities are no longer able to acquire assets solely to increase rental income. Officers are therefore in the process of preparing a new Strategic Asset Acquisition Strategy setting out how the Council can borrow from the PWLB to either acquire assets for strategic or regeneration purposes or invest in the refurbishment and redevelopment of its existing assets. It should be noted that the Council did not acquire or dispose of any investment assets in 2022/23.

Property Investment Fund – 2022/23

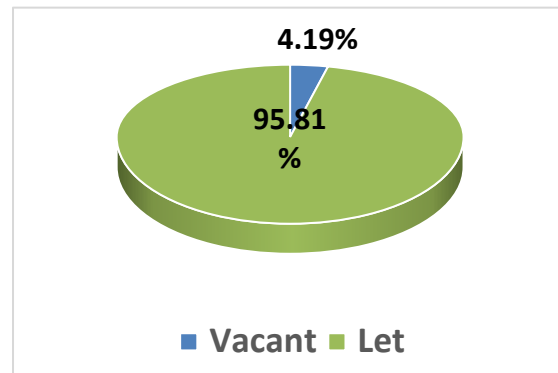
FUND STRATEGY

The Fund comprises the principal commercial property sectors: industrial, office, retail, and alternatives (petrol stations, leisure, food & beverage, educational centres etc). Officers aim to achieve an above average income return by keeping vacancy and associated costs (such as empty rates, service charges, repairs, and insurance) to a minimum and by generating income growth through rental increases, refurbishments, active asset management and new lettings. The average vacancy rate over 22/23 was 4.19%¹.

VACANCY RATE

Based on days per property

Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year
4.49%	4.49%	3.88%	3.90%	4.19%



PERFORMANCE

In January 2023 the investment fund was valued at £168 million, decreasing by £5.8 million from the previous financial year due to a shift in yields. There was a large increase in capital value in 2021/22 from the previous year and the decrease this year is considered as a correction. Despite the fall in the overall capital value of the investment portfolio, the rental income increased significantly by £757,000 to £9.5 million per annum, representing a total return of 5.9%. The significant rental growth was to a great extent a direct consequence of the successful letting of the newly built units at Midleton Enterprise Park alongside the letting of The Rock at Slyfield Industrial Estate. Furthermore, there were several significant rental increases at rent review following post-pandemic growth in the industrial sector.

Factors that affected the portfolio in 2022/23 include:

- **Yield softening** – The first part of the financial year saw yields suppressed to an all-time low, particularly the industrial sector which saw prime southeast multi-let industrial estates showing sub 3%. However, with the turmoil in central Government, the war in Ukraine, the energy crisis and high inflation, there was a shift in market sentiment leading to yields moving outwards across all property types in Q3/4. There has been an element of correction in this sector as well, which after an initial spate of abortive transactions and general turmoil stabilised towards the end of the year largely with a recognition that occupier demand has remained reasonably constant particularly for

¹ Excluding intentional voids and Finance leases.

**GBC INVESTMENT PROPERTY
FUND PORTFOLIO ANNUAL REPORT**

2022/23

industrial property. The net result of these capital market shifts has been a reduction in the overall capital value of the portfolio.

- Midleton Redevelopment** – Our ongoing strategy to regenerate this estate, replacing older, obsolete assets with new fit for purpose buildings continues. Construction works in respect of phase 1 and phase 2/3 were completed in March 2021 and January 2022 respectively and these units are almost fully occupied and income producing. As at the 2023 annual asset valuations, only 1 out of the 16 units remained vacant. Income from these phases will be £647,551 per annum once fully let. The final phase (Phase 4) has been under construction and is therefore reflected as land value in the 2023 asset valuation. The is due for completion in the summer of 2023 and will generate additional rental income in 2023/24.

FUND PERFORMANCE (TOTAL RETURN) *

Rental income*					
	Industrial	Office	All Retail	Alternatives	All
2015/16	2,679,571	1,831,900	1,750,254	885,636	7,147,361
2016/17	3,057,302	1,858,638	1,447,672	1,062,137	7,425,749
2017/18	3,493,405	3,186,048	1,426,317	1,080,786	9,186,556
2018/19	3,619,808	3,038,548	1,459,048	1,129,361	9,246,765
2019/20	3,369,452	2,135,460	1,459,548	1,139,397	8,103,857
2020/21	3,565,449	2,112,620	1,284,638	1,139,397	8,102,104
2021/22	4,224,693	2,135,460	1,293,038	1,100,322	8,753,513
2022/23	5,016,552	2,067,013	1,326,638	1,100,389	9,510,592
Capital value **					
	Industrial	Office	All Retail	Alternatives	All
2015/16	39,077,755	19,227,500	34,270,000	11,233,500	103,808,755
2016/17	42,922,450	25,915,000	25,908,500	15,963,500	110,709,450
2017/18	51,509,000	49,574,000	26,065,000	17,471,500	144,619,500
2018/19	66,970,000	49,159,000	26,097,000	18,843,000	161,069,000
2019/20	72,295,790	35,609,000	26,097,000	18,143,000	152,144,790
2020/21	77,670,905	34,165,000	24,527,000	18,540,500	154,903,405
2021/22	101,459,000	32,095,000	23,252,000	17,150,500	173,956,500
2022/23	97,820,000	30,350,000	22,735,000	17,225,500	168,130,500
Benchmark return***					
	Industrial	Office	All Retail	Alternatives	All
2015/16	6.1%	4.7%	5.4%	4.7%	5.2%
2016/17	5.4%	4.1%	5.0%	5.5%	4.8%
2017/18	4.9%	4.1%	5.1%	5.3%	4.8%
2018/19	4.4%	4.0%	5.1%	5.0%	4.6%
2019/20	4.4%	4.0%	5.4%	5.1%	4.7%
2020/21	4.4%	4.0%	5.6%	4.8%	4.6%
2021/22	3.4%	4.8%	5.2%	5.0%	4.7%
2022/23	3.6%	4.9%	5.5%	5.5%	4.7%
Income return (Gross yield) ****					
	Industrial	Office	All Retail	Alternatives	All

2015/16	6.9%	9.5%	5.1%	7.9%	6.9%
2016/17	7.1%	7.2%	5.6%	6.7%	6.7%
2017/18	6.8%	6.4%	5.5%	6.2%	6.4%
2018/19	5.4%	6.2%	5.6%	6.0%	5.7%
2019/20	4.7%	6.0%	5.6%	6.3%	5.3%
2020/21	4.6%	6.2%	5.2%	6.1%	5.2%
2021/22	4.2%	6.7%	5.6%	6.4%	5.0%
2022/23	5.1%	6.8%	5.8%	6.4%	5.7%

*Excludes Finance Leases

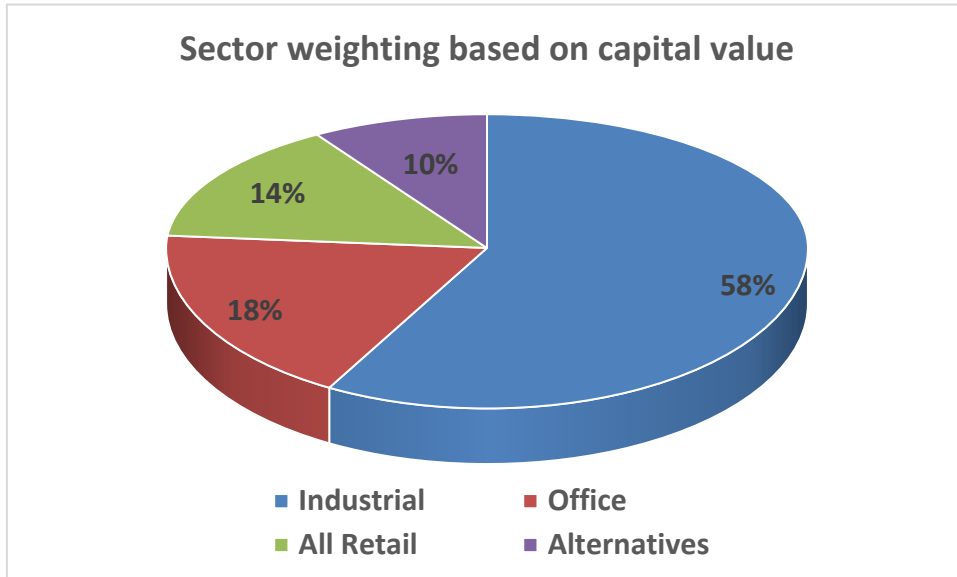
**Capital Values and rent at 31/1/23

*** MCSI data for the Southeast (average across the year)

**** Note the basis of analysing income return was switched to gross yield across each Asset Class as opposed to adopting an average yield used in previous years.

- Voids** – 40A Castle Street and 40 Castle Street are vacant but there is an ongoing strategy review of these assets which may involve disposal. The vacant space at The Billings (unit 4 and two floors in unit 2) continues to remain vacant despite ongoing marketing with the potential rental value of all vacant parts being circa £135,000 p.a. plus empty rates liability. Two units at Moorfield Point have been vacant for part of the year but have encouragingly been the only significant industrial voids.
- Rent reviews** – we concluded a number of rent reviews across our portfolio and in the main these resulted in significant rental uplifts particularly in the industrial assets. One significant rent review at 37-39 Moorfield Road saw a rental increase from £39,500pa to £87,000pa though this was in part as a result of a change of use agreement. We continue to monitor rent review events closely and appoint external consultants where appropriate.
- Sector Weighting** – Industrial remains the Council's largest sector which continues to outperform the office and retail markets, primarily due to a considerable rise in Logistics and E-commerce demand. The upwards trend of industrial values came to an abrupt end at the time of the turmoil in Central Government when Liz Truss became prime minister along with the war in Ukraine and energy crisis. At this time prime industrial yields slipped from around 3% to 5% but have since regained some ground with a gradual return of investor confidence. Fortunately, occupational demand for industrial space remained reasonably robust throughout and rents have not been impacted. Overall, our industrial assets now represent 58% of the portfolio but lost around 3.6% in value compared to the previous year due to the yield shift.



**GBC INVESTMENT PROPERTY
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- High Street Retailing facing ongoing challenges** – the weakened performance of the Council’s retail assets has not recovered post the pandemic. Instead, there has been a reset in the market with prime rents estimated to be at around two-thirds of their original levels. Whilst there is a little more positivity and some new tenants coming into the town, the market is difficult with a trend towards shorter leases with tenant breaks, lower turnover rents, requests from Tenants for rent holidays/abatement and so forth. Retailers are experiencing ongoing staffing issues and there is a lingering risk of heavily indebted businesses going into administration. Our retail exposure is for the most part via geared long leases (where we collect rent based on a % of sublease income that our direct tenants generate) but we do hold several directly let single assets. Shopping mall retailing is suffering more than the High Street to some extent due to the increasing cost of services feeding into the service charge. The total capital value of our retail assets exhibited a relatively small decline, though there was a marginal increase in income.

As a result of these factors/market dynamics, the Fund performed well overall and significantly above benchmark. Asset & Property managers continue to maximise income generation through rent reviews, new lettings, and active asset management.

KEY 4 TRANSACTIONS

	Property	Transaction
	The Rock, Thornberry Way	Refurbished by the Council and let to Ninja Warrior from October 2022 for 15 years at a headline rent of £400,000pa and 6 months rent-free.
	Wey House, Farnham Road	The previous lease was regeared for 16 years at a rent of £1.3M p.a. The Council agreed a 6-month rent-free period and a capital contribution of £800K towards the refurbishment of the building.

	<p>Phase 2/3 Midleton Enterprise Park</p>	<p>14 out of 15 units let, generating a total rent of £521,000 p.a.</p>
	<p>37-39 Moorfield Road, Slyfield Industrial Estate</p>	<p>Agreed a rental uplift at rent review alongside a widening of the permitted use in relation to a long let. Rent increased from £39,000pa to £87,500pa backdated to December 2020.</p>

STRATEGIC ASSET INVESTMENT POLICY AND INDUSTRIAL ESTATES STRATEGY

Strategic Asset Investment Policy (Revised) – an Asset Investment Fund of £40 million was approved by the Executive in January 2020 as part of the Capital and Investment Strategy 2020-21 to 2024-25. With changes to PWLB borrowing rules imposed by HM Treasury, the Council can no longer invest purely for income. However strategic acquisitions may still be possible in accordance with the changes in requirements for borrowing, such as for regeneration projects, to address market failure or preventative action. These changes, coupled with the amended MEES regulations, prompted the Council at its Executive meeting on Tuesday 25 January 2022 to widen the remit of the fund to enable the Council to invest in its existing investment portfolio. Officers are working on a revised/updated Policy to guide our strategy going forward.

Industrial Estates Strategy – in 2022 the Council endorsed the development and procurement of an overall Industrial Estate Growth Strategy to include an overarching vision for the remaining estates. This will identify all redevelopment, acquisition, and disposal opportunities to enable the Council to protect and grow its financial returns, achieve its strategic objectives and financial excellence, and secure value for money. Officers are working on the strategy out of which a series of Projects will be identified. Integral to this is planning a path to deal with Assets that are becoming obsolete/failing MEES standards.

LOCAL PROPERTY MARKET 2022/23 REVIEW

2022/23 saw unprecedented political turmoil with the outbreak of war in Ukraine, the energy crisis and high inflation. Further negative pressures on the UK economy came in September 2022 following the election of Liz Truss as Prime Minister and the mini budget which promoted policies that was not received well in the markets. Subsequent to this, sentiment gradually improved. That said, although there was a significant impact in the capital markets, occupier demand seemed to remain relatively unaffected particularly in the industrial sector. The office market has been subdued but some positive signs resulting from the expansion seen in the gaming sector. The retail market has generally remained subdued with little sign of rental values showing any sustained recovery and take up of new space particularly from multiples continuing to be impacted by more sales moving online.

Following the pandemic, new challenges have emerged that are likely to impact activity in the year ahead. Inflation and the rising costs of living/energy costs and doing business will put a squeeze on households and companies, while labour shortages will continue to constrain output.

GBC INVESTMENT PROPERTY FUND PORTFOLIO ANNUAL REPORT

Industrial

Continued strong investment demand for industrial property in the first half of the year drove yields down to new levels with the shift to online sales continuing to grow, seemingly unaffected by the economic and political turmoil. This resulted in a surge in demand from E-commerce and third-party logistics operators. Despite not having a large logistics offering, industrial property within Guildford continued to perform well. A scarcity of supply, particularly for smaller sub-10,000 sq. ft. units, limited new build and strong levels of take up resulted in rental growth during the year. Yields on the other hand softened mid-year but with limited supply, the local occupier market demonstrated remarkable resilience and even some rental growth evident. An example is on the Cathedral Hill Industrial Estate which was comprehensively refurbished by the owners Diageo and off the back of a letting to Screwfix in 2021 some flagship tenants were attracted at record rents – first with Topps Tiles signing up at £15psf and then Porsche at £18psf. In early 2023 there was a further letting to Howdens at £20psf. Additional supply is likely to come on stream from 2024 at Burnt Common, where planning consent has now been granted on the first small unit phase and further larger units planned thereafter.

The Council's redevelopment of Midleton (see section 'Major Projects' below) has continued with the construction of phase 4 which will comprise 20 new small Enterprise units built to a green agenda and with some pre-let interest in advance of completion. These units act as a seedbed for local enterprise and has been remarkably successful.

Office

Take-up in 2022 hit 105,789 sq ft, closely in line with the ten-year annual average and comprising 19 transactions. Notably, reflecting Guildford's growing reputation as UK gaming cluster, Supermassive Games was behind four of 2022's deals, with its 20,842 sq ft lease at Ranger House being the largest deal of the year. While demand has been slow more recently, momentum started to pick up in Q2. April brought Guildford's first deal of 2023, Fuse Gaming's 4,000 sq ft at Eastgate Court, while 45,000 sq ft is under offer at the Priestley Centre, Surrey Research Park. However, demand generally remains focused towards the town centre rather than out of town – it accounted for 83% take-up in 2022, while the current active requirements are all seeking out solutions within the town centre.

Total supply has bumped up to a four-year high of 445,000 sq ft. However, close to two thirds of this is situated out of town with much of the increase accounted for by British Land's refurbishment of the Priestley Centre (83,000 sq ft) and CIM's refurbishment of 3000 Cathedral Square (44,700 sq ft), both of which are scheduled for delivery in Q3 2023. By contrast, supply in the town centre is tight with only 84,000 sq ft of up and built space available, of which 50,000 sq ft is grade A. Large options are extremely scarce, with the only immediately available building providing in excess of 10,000 sq ft being 3 London Square (14,600 sq ft).

Offices outside the town centre suffered including Cathedral Square and Guildford Business Park where there is significant vacancy, but positively, several schemes are coming forward that will provide a notable boost to town centre supply over the next few years. A refurbishment of White Lion House (15,760 sq ft) delivers summer 2023, while Kingsbridge Estates' Bottleworks (41,000 sq ft) is currently under construction and arrives in early 2024. Longer term, key projects in the pipeline comprise 1 Farnham Road (75,000 sq ft), which is in the early stages of planning, and One Onslow Street, which has recently received planning consent to deliver 99,000 sq ft near to The Friary shopping centre.

Despite the economic headwinds, tight supply in the town centre continues to exert upward pressure on rents for best-in-class space. Guildford's prime headline rent was at £37.50 per sq ft as at Q1 2023, though agents are forecasting this to grow in the next year.

Retail

While the 'Cost of Living Crisis' has dominated the national news headlines, this was not reflected in retail sales as they grew by 6.1% over the 2022/23 financial year. Clothing saw the strongest growth in sales volumes of around 3% while household goods fell by around 5%. The share of online retail remained consistent over the course of the year at about a quarter of all UK sales.

Guildford Town Centre has been a beneficiary of this post-pandemic recovery with several new brands arriving in the town. These have mostly been food and beverage operators who appear to have been attracted by the strong consumer spend and availability of prime pitches. Joe & The Juice, Coppa Club, Ole & Steen Bakery and Megans have all taken on prominent retail units with a coffee plus food offering and appear to be trading very well. Clothing stores Free People and Charles Tyrwhitt have taken on smaller yet highly visible premises. However, there are still a number of empty shops, with Claire's Accessories, Ernest Jones, Jack Wills and Links of London all recent departures from the town.

Prime retail rents have been re-based at around two thirds of their previous peak levels, dropping from circa £325-350 psf Zone A before the Pandemic to circa £175-200 psf Zone A thereafter. Rents have not increased from last year, remaining more or less at the same levels. Landlords are generally granting 10-year terms with a combination of initial rent free and stepped rents. The willingness of these tenant businesses to invest in high quality shop fitouts show their confidence in the continued recovery and success of Guildford Town Centre.

PROPERTY MARKET – OUTLOOK

Despite growing challenges in the wider economy, limited availability of Office space, continued expansion in the gaming sector and an emphasis on Grade A quality accommodation will continue to fuel incremental growth in prime office rents. Guildford's prime office headline rent is forecast to move to a new benchmark of £39.50 per sq. ft. by the end of 2023, while the delivery of new space in the town centre is expected to drive further growth over the next two years.

The rising cost of living has become an increasing concern in recent months along with the ongoing conflict in Ukraine which is creating additional inflationary pressure primarily through its impact in oil and natural gas prices. Heightened global geopolitical tensions have added an unexpected and unwanted layer of uncertainty to the outlook. Nonetheless, the ending of the political turmoil around the Liz Truss Premiership appears to have settled and the effect of rising interest rates should start to bring inflation under control. It is hoped this should underpin a healthy economic recovery towards the end of 2023 and the fundamentals underpinning the growth of the industrial and logistics sector in which demand is anticipated to continue strongly both by occupiers and with more investment activity in the capital markets.

The outlook for the retail sector is seeing some gradual improvement at a local level with Guildford having been able to perform better than many other Southeast towns due to its wealthy catchment. The speed of recovery in retail will depend on wider economic factors, particularly getting inflation under control and in turn interest rates. Many within the industry also continue to advocate a wider reform of the business rates system.

GBC INVESTMENT PROPERTY FUND PORTFOLIO ANNUAL REPORT

MAJOR PROJECTS

Midleton Industrial Estate Redevelopment

The Council continued to progress the phased redevelopment of Midleton Industrial Estate during 2022/23. This was the only major project relating to investment Assets during the year.

A timeline of the phased speculatively built scheme is as follows: -



Phase 1 – GBC speculatively built a pair of semi-detached industrial units comprising 9,338 sq ft in 2020/21. This was let to Havwoods Accessories on a 10 year lease from April 2021. Income generated - £126,063pa.



Phases 2 and 3 (Branded as Midleton Enterprise Park) - GBC speculatively built a further 15 units ranging in size from 860 to 6,500 sq ft. This was branded as ‘Midleton Enterprise Park’ and was remarkably successful in quickly attracting tenants in advance of practical completion Q1 2022. During 2022/23 14 out of the 15 units were let, achieving rents of around £15-16.50psf. The total income generated once fully let will be circa £520,000 p.a.

Phase 4 Midleton Enterprise Park – under construction during the year and likely to reach practical completion in the next financial year. This will provide a total of 20 small units to form a ‘seedbed’ for small local businesses similar to the existing Enterprise units on Slyfield and at Ash Vale. Unit sizes will range from 549- 807 sq ft. The total rental income anticipated will be in the region of £250,000 p.a. once fully let.



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GENERAL FUND CAPITAL PROGRAMME - ESTIMATED EXPENDITURE 2022-23 to 2027-28

Ref	Bid ref	Code	Directorate/Service and Capital Scheme name	Approved gross estimate	Cumulative spend at 31-03-22	2022-23		Expenditure at P12	Projected exp est by project officer	2023-24 Est for year	2024-25 Est for year	2025-26 Est for year	2026-27 Est for year	2027-28 Est for year	Future years est exp	Projected expenditure total	Grants / Contributions towards cost of scheme	Funded from Reserves	Net cost of scheme
						Estimate approved by Council in February	Revised estimate												
				(a)	(b)	(c)	(d)	(e)	(f)	(ii)	(iii)	(iv)	(v)	(v)	(g)	(b)+(f)+(g) = (h)	(i)	(j)	(h)-(i)-(j) = (k)
				£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		£000
APPROVED SCHEMES																			
COMMUNITY DIRECTORATE																			
			General Fund Housing																
	PR381	N51008	Disabled Facilities Grants		annual	605	605	548	897	605	605	-	-	-	1,210	2,107	(2,045)	-	62
		N51019	Better Care Fund		annual	-	-	322	-	-	-	-	-	-	-	-	-	-	-
	PR381	N51020	Home Improvement Assistance		annual	-	-	20	-	-	-	-	-	-	-	-	-	-	-
	PR381	N51021	Solar Energy Loans		annual	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		N51023	BCF TESH Project		annual	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		N51024	BCF Prevention grant		annual	-	-	7	-	-	-	-	-	-	-	-	-	-	-
		N51030/32	SHIP		annual	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			General Grants to HAs		annual	100	100	-	-	100	100	-	-	-	200	200	-	-	200
			Asset Management																
ED14(e)	PR159	P72**	Void investment property refurbishment works	570	503	-	4	-	-	-	-	-	-	-	-	662	-	-	566
		P72041	1 North Moors (complete)				18	18	18								(16)		
ED15		P72048	1 Midleton void works(complete)				-	-	-	-	-	-	-	-	-				
	12636	P72049	C4 41 Moorfield Road Styfield void works(complete)			10	3	3	3										
		P74078	4 The Billings (complete)				138	138	138								(80)		
ED14		P72047	10 Midleton void works(complete)	230	222	-	4	4	4	-	-	-	-	-	-	227	(100)	-	127
ED21		P72022	Methane gas monitoring system	100	48	51	52	-	-	52	-	-	-	-	52	100	-	-	100
ED22		P74058	Energy efficiency compliance - Council owned properties	245	82	163	163	19	19	144	-	-	-	-	144	246	-	-	246
ED26		P51053	Bridges -Inspections and remedial works	317	203	90	114	53	53	61	-	-	-	-	61	317	-	-	317
ED41	PR162	P74064	The Billings roof (complete)	200	192	-	8	8	8	-	-	-	-	-	-	200	-	-	200
ED53	BID97	P74072	Tying Farm Land-removal of barns and concrete hardstanding	200	143	57	57	-	-	57	-	-	-	-	57	200	-	-	200
			Office Services																
COMMUNITY DIRECTORATE TOTAL				1,862	1,394	1,076	1,266	1,140	1,140	1,019	705	0	0	0	1,724	4,259	-2,241		2,018
ENVIRONMENT DIRECTORATE																			
Operational Services																			
OP1/OP		P66*	Flood resilience measures (use in conjunction with grant)	445	324	121	121	-	-	121	-	-	-	-	121	445	-	-	445
OP5	PR275	P35017	Mill Lane (Pirbright) Flood Protection Scheme(no longer reqd)	71	55	16	16	-	-	-	-	-	-	-	-	55	(19)	-	36
OP6	PR304	P58012	Vehicles, Plant & Equipment Replacement Programme	10,665	10,395	-	270	135	135	136	-	-	-	-	136	10,665	(26)	-	10,639
OP26	PR264	P35022	Merrow lane grille & headwall construction	60	3	57	57	-	-	57	-	-	-	-	57	60	-	-	60
OP28	PR284		Crown court CCTV	10	-	10	10	-	-	10	-	-	-	-	10	10	-	-	10
OP22	5-1920		Town Centre CCTV upgrade	250	-	250	250	-	-	250	-	-	-	-	250	250	-	-	250
OP24	Bid 8	P66001	Yorkies Bridge Lighting (complete)	20	-	20	20	12	12	-	-	-	-	-	-	12	-	-	12
OP22	Bid 6	P66002	YMCA Lighting (complete)	24	-	24	24	10	10	-	-	-	-	-	-	10	-	-	10
Parks and Leisure																			
PL20(c)		P18224	Redevelopment of Westborough and Park barn play area	320	-	320	320	-	-	320	-	-	-	-	320	320	-	-	320
PL34	PR186	P04009	Stoke cemetry re-tarmac	122	-	122	122	77	77	45	-	-	-	-	45	122	-	-	122
PL57	BID211	P18215	Parks and Countryside - repairs and renewal of paths,roads	355	256	97	99	81	81	18	-	-	-	-	-	355	-	-	355
PL58	1-1920	P18220	Shalford Common - regularising car parking/reduction of	121	29	30	32	7	7	85	-	-	-	-	85	121	-	-	121
PL60	7-1920	P18226	Traveller encampments	53	-	28	53	-	-	53	-	-	-	-	53	53	-	-	53
PL60	7-1920		Traveller transit site provision	127	-	127	127	-	-	127	-	-	-	-	127	127	-	-	127
		P50017	Works to Weir (complete)		418	-	-	-	-	-	-	-	-	-	-	418	-	-	418
PL61	Bid 2	P18238	Stoke Park Paddling Pool	170	-	170	170	168	168	2	-	-	-	-	2	170	-	-	170
PL62		P22067	Lido - Drainage Works	2,100	2		2,098	1,166	1,166	879	53	-	-	-	932	2,100	(1,500)	-	600
ENVIRONMENT TOTAL DIRECTORATE				14,913	11,482	1,392	3,789	1,656	1,656	2,103	53	-	-	-	2,138	15,293	(45)	(1,500)	13,748
FINANCE DIRECTORATE																			
Financial Services																			
FS1	PR303		Capital contingency fund	annual	-	2,000	1,340	-	-	2,000	2,000	2,000	2,000	2,000	10,000	10,000	-	-	10,000
RESOURCES DIRECTORATE TOTAL				0	0	2,000	1,340	0	0	2,000	2,000	2,000	2,000	2,000	10,000	10,000	0		10,000
DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS																			
Development / Infrastructure																			
ED54	BID129	P74069/P740	Rodboro Buildings - electric theatre through road and parking	416	36	370	369	3	3	377	-	-	-	-	377	416	-	-	416
P5	PR354	P79027/P790	Walnut Bridge replacement	5,098	4,567	500	530	1,075	1,075	-	-	-	-	-	-	5,642	(2,456)	(950)	2,236
		P79032	SMC(West) Phase 1	1,967	1,785	200	182	143	143	39	-	-	-	-	39	1,967	(914)	-	1,052
P21		P79037/P790	Ash Road Bridge	44,000	6,494	18,914	23,504	2,695	2,695	24,573	9,822	416	-	-	34,811	44,000	(35,400)	-	8,600
P21		P79038	Ash Road Footbridge	500	58	255	406	124	124	317	-	-	-	-	317	500	-	-	500
		P79995	Broadband for Surrey Hills (B4SH)	60	3	60	44	44	44	14	-	-	-	-	14	60	-	-	60
P11	PR364		Guildford West (PB) station	500	-	500	500	-	-	-	250	250	-	-	500	500	-	-	500
		P79041	Ripley Village Hall	600	-	600	600	600	600	-	-	-	-	-	-	-	-	-	-
Development Financial																			
PR130		P79996	Investment in North Downs Housing (60%)	15,180	13,717	1,073	1,463	1,463	1,463	-	-	-	-	-	-	15,180	-	-	15,180
PR130		P79997	Equity shares in Guildford Holdings Ltd (40%)	10,120	9,154	710	966	966	966	-	-	-	-	-	-	10,120	-	-	10,120
ED49	PR395	P72037	Middleton Ind Est Redevelopment	14,907	9,310	5,557	5,597	3,549	3,549	1,972	75	-	-	-	2,047	14,907	-	-	14,907
P12	PR371	P72045	Property acquisitions	33,520	8,767	24,992	24,753	909	909	9,891	13,953	-	-	-	23,844	33,519	-	-	33,519
PL9	PR136	P05009	Rebuild Crematorium	11,036	10,927	-	109	6	6	99	-	-	-	-	99	11,033	-	-	11,033
ED27		P79023/P790	North Street Development / Guild Town Centre regeneration	1,627	1,473	150	154	113	113	41	-	-	-	-	41	1,627	(250)	-	1,377
P22	BID 21-	P79039	Shaping Guildford Future (SGF)	4,170	-	1,530	2,630	-	-	4,170	-	-	-	-	4,170	4,170	-	-	4,170
ED32	PR028	P79026	Internal Estate Road - CLLR Phase 1	11,139	10,946	-	193	-	-	193	-	-	-	-	193	11,139	(5,107)	-	6,032
P	ED6	PR350	P74039 / WUV (Weyside Urban Village)	170,506	21,444	52,730	53,725	7,560	18,771	110,452	-	-	-	-	110,452	170,706	(14,097)	-	156,609
ED6	PR350	P79100/P182	WUV - Allotment relocation	200	2,641	-	-	801	-	-	-	-	-	-	-	-	-	-	-
ED6	PR350	P79101	WUV - Int roads, Site clearance	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-

GENERAL FUND CAPITAL PROGRAMME - ESTIMATED EXPENDITURE 2022-23 to 2027-28

Ref	Bid ref	Code	Directorate/Service and Capital Scheme name	Approved gross estimate	Cumulative spend at 31-03-22	2022-23		Expenditure at P12	Projected exp est by project officer	2023-24 Est for year	2024-25 Est for year	2025-26 Est for year	2026-27 Est for year	2027-28 Est for year	Future years est exp	Projected expenditure total	Grants / Contributions towards cost of scheme	Funded from Reserves	Net cost of scheme
						Estimate approved by Council in February	Revised estimate												
				(a)	(b)	(c)	(d)	(e)	(f)	(ii)	(iii)	(iv)	(v)	(v)	(g)	(b)+(f)+(g) = (h)	(i)	(j)	(h)-(i)-(j) = (k)
				£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
ED6	PR350	P79102	WUV - New GBC Depot	2,480	1,628	-	852	796	796	56					56	2,480			2,480
ED6	PR350	P79104	WUV - Thames Water relocation	-	16,307	-	-	10,410	-										
ED6	PR350	P79106	WUV - Land Purchase	-	1,091	-	-	-	-										
DEVELOPMENT/INCOME GENERATING/COST REDUCTION				328,026	120,348	107,481	116,593	31,257	31,257	152,194	24,100	666	0	0	176,960	327,965	-58,224	-950	268,790
APPROVED SCHEMES TOTAL				344,801	133,224	111,949	122,988	34,053	34,053	157,316	26,858	2,666	2,000	2,000	190,822	357,517	-60,510	-2,450	294,556

non-development projects total	16,775	12,876	4,468	6,395	2,796	2,796	5,122	2,758	2,000	2,000	2,000	13,862	29,552	-2,286	-1,500	25,766
development/infrastructure - non-financial benefit	52,541	12,943	20,739	25,551	4,084	4,084	25,320	10,072	666	0	0	36,058	53,084	-38,770	-950	13,364
development- financial benefit	274,885	107,405	86,742	90,442	26,573	26,573	126,874	14,028	0	0	0	140,902	274,880	-19,454	0	255,426
TOTAL	344,201	133,224	111,949	122,388	33,453	33,453	157,316	26,858	2,666	2,000	2,000	190,822	357,517	-60,510	-2,450	294,556

SUMMARY																			
APPROVED SCHEMES - TOTAL				344,801	133,224	111,949	122,988	34,053	34,053	157,316	26,858	2,666	2,000	2,000	190,822	357,517	(60,510)		294,556
GRAND TOTAL				344,801	133,224	111,949	122,988	34,053	34,053	157,316	26,858	2,666	2,000	2,000	190,822	357,517	(60,510)		294,556

GENERAL FUND CAPITAL PROGRAMME - ESTIMATED EXPENDITURE 2022-23 to 2027-28

Ref	Verfo ref	Code	Directorate / Service Units Capital Schemes	Gross estimate approved by Executive	2022-23		Revised estimate	Expenditure at P12	Projected exp est by project officer	2023-24 to 2027-28										Future years estimated expenditure	Projected expenditure total	Grants or Contributions towards cost of scheme	Net total cost of scheme to the Council
					Cumulative spend at 31-03-22	Estimate approved by Council in February				2023-24 Est for year	2024-25 Est for year	2025-26 Est for year	2026-27 Est for year	2027-28 Est for year	2028-29 Est for year	2029-30 Est for year	2030-31 Est for year and SARP to 5233	Future years estimated expenditure					
(a)	(b)	(c)	(e)	(f)	(g)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(h)	(b)+(g)+(h)+(i)+(j)+(k)	(j)	(l) - (j) = (k)				
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000				
PROVISIONAL SCHEMES (schemes approved in principle; further report to the Executive required)																							
COMMUNITY DIRECTORATE																							
Asset Management																							
ED21(P)			Methane gas monitoring system	150	-	-	-	-	-	-	-	-	-	-	-	150	150	-	150				
ED22(P)			Energy efficiency compliance - Council owned properties & Bridges	3,218	-	1,268	1,268	-	-	2,719	500	-	-	-	-	3,218	3,218	-	3,218				
ED26(P)			Bridges	370	-	370	370	-	-	370	-	-	-	-	-	370	370	-	370				
ED48(p)	PR390		Westfield/Moorfield rd resurfacing	3,152	-	-	-	-	-	-	-	3,152	-	-	-	3,152	3,152	-	3,152				
ED56(p)	BID261		Land to the rear of 39-42 Castle Street (no longer required)	10	-	10	10	-	-	-	-	-	-	-	-	-	-	-	-				
ED57(p)	BID 7 2324		Investment Property void pot						100	100	100	100	100			500	500						
BS3(p)	BID201		Office Services Millmead House - M&E plant renewal	33	-	33	33	-	-	33	-	-	-	-	-	33	33	-	33				
COMMUNITY DIRECTORATE TOTAL				6,933	-	1,681	1,681	-	-	3,371	600	3,252	100	100	-	7,423	7,423	-	6,923				
ENVIRONMENT DIRECTORATE																							
Operational Services																							
OP6(P)	Bid 5 2223		Vehicles, Plant & Equipment Replacement Programme	24,000	-	3,280	2,500	-	-	400	5,000	5,000	3,000	6,500	1,500	2,000	600	24,000	24,000	-	24,000		
OP21(P)	PR281		Surface water management plan	200	-	-	-	-	-	200	-	-	-	-	-	200	200	-	200				
OP23(p)	Bid 7 2223		Millmead House Lifts	200	-	200	200	-	-	200	-	-	-	-	-	200	200	-	200				
OP24(p)	BID 4 2324		GBC Depot - operational						200	2,200	30	-	-	-	-	2,430	2,430	-	2,430				
Parks and Leisure																							
PL18(P)			Refurbishment / rebuild Sutherland Memorial Park Pavilion	150	-	-	-	-	-	-	150	-	-	-	-	150	150	-	150				
PL45(p)	PR388		Stoke Pk gardens water feature refurb	40	-	40	40	-	-	40	-	-	-	-	-	40	40	(29)	11				
PL57(p)	BID211	P18215	Parks and Countryside - repairs and renewal of paths,roads and Millmead fish pass	1,382	-	382	382	-	-	250	250	250	382			1,382	1,382	-	1,382				
PL59(p)	BID229		Millmead fish pass	60	-	60	60	-	-	60	-	-	-	-	-	60	60	-	60				
PL61(p)	Bid 3 2223		Albury Closed Burial Ground(no longer read)	60	-	60	60	-	-	-	-	-	-	-	-	-	-	-	-				
PL62(p)	Bid 4 2223		Chilworth Gunpowder Mills	180	-	175	175	-	-	175	5	-	-	-	-	180	180	-	180				
PL63(p)	Bid 9 2223		Memorial Wall	100	-	100	100	-	-	-	100	-	-	-	-	100	100	-	100				
PL34(p)	Bid 10 2223		Stoke cemetery re-tarmac	18	-	18	18	-	-	18	-	-	-	-	-	18	18	-	18				
PL64(p)	BID 1 2324		Lido Road Allotment Security Fencing						70						70	70	-	70					
PL65(p)	BID 2 2324		2015 Play strategy action plan						200						200	200	-	200					
PL66(p)	BID 3 2324		Spectrum upgrades						1,250	1,750	2,300	1,150	650			7,100	7,100	-	7,100				
PL67(p)	BID 5 2324		Derby Road playground conversion						120						120	120	-	120					
PL68(p)	BID 6 2324		SMP astro turf surface						8	2					10	10	-	10					
ENVIRONMENT DIRECTORATE TOTAL				26,390	-	4,312	3,532	-	-	3,191	9,357	7,680	4,400	7,532	1,500	2,000	600	36,260	36,260	(29)	36,231		
DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS																							
Development / Infrastructure																							
PR130	P7999b		Investment in North Downs Housing	30,100	-	5,518	5,518	-	-	-	-	-	18,057	-	-	18,057	18,057	-	18,057				
PR130	P7999f		Equity shares in Guildford Holdings Ltd		-	3,683	3,683	-	-	-	-	-	12,043	-	-	12,043	12,043	-	12,043				
P10(p)	PR316		Sustainable Movement Corridor	150	-	-	-	-	-	150	-	-	-	-	-	150	150	-	150				
P11(p)	PR364 &		Guildford West (PB) station	1,000	-	1,000	1,000	-	-	-	1,000	-	-	-	-	1,000	1,000	-	1,000				
P17(p)	BID169		Bus station relocation(no longer read)	500	-	-	-	-	-	-	-	0	-	-	-	-	-	-	-				
Development Financial																							
ED16(P)	PR350		WUV (Wayside Urban Village)	150,622	-	-	-	-	-	1,522	28,697	34,881	24,342	22,271	14,910	17,909	-	144,532	144,532	-	144,532		
ED38(P)	PR041		North Street development	1,350	-	-	-	-	-	150	50	50	50	50	950	-	1,350	1,350	-	1,350			
P12(p)	PR371 & 4-		Property acquisitions	38,292	-	28,292	28,292	-	-	-	13,000	13,000	12,292	-	-	-	38,292	38,292	-	38,292			
DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS TOTAL				222,014	-	38,493	38,493	-	-	1,672	28,897	48,931	37,392	64,713	14,960	18,859	-	215,424	215,424	-	215,424		
PROVISIONAL SCHEMES - GRAND TOTALS				255,337	-	44,486	43,706	-	-	8,234	38,854	59,863	41,892	72,345	16,460	20,859	600	259,107	259,107	(29)	258,578		
non development projects				33,323	-	5,993	5,213	-	-	6,562	9,957	10,932	4,500	7,632	1,500	2,000	600	43,683	43,683	(29)	43,154		
development/infrastructure - non-financial benefit				31,750	0	10,201	10,201	0	0	0	150	1,000	0	30,100	0	0	0	31,250	31,250	0	31,250		
development- financial benefit				190,264	0	28,292	28,292	0	0	1,672	28,747	47,931	37,392	34,613	14,960	18,859	0	184,174	184,174	0	184,174		
TOTAL				255,337	0	44,486	43,706	0	0	8,234	38,854	59,863	41,892	72,345	16,460	20,859	600	259,107	259,107	(29)	258,578		
SUMMARY																							
PROVISIONAL SCHEMES - TOTAL				255,337	-	44,486	43,706	-	-	8,234	38,854	59,863	41,892	72,345	16,460	20,859	600	259,107	259,107	(29)	258,578		
GRAND TOTAL				255,337	-	44,486	43,706	-	-	8,234	38,854	59,863	41,892	72,345	16,460	20,859	600	259,107	259,107	(29)	258,578		

GENERAL FUND CAPITAL SCHEMES - PROJECTS FUNDED VIA RESERVES: ESTIMATED EXPENDITURE

Item No.	Project Officer	Code	Projects & Sources of Funding	Approved gross estimate	Cumulative spend at 31-03-22	2022-23 Estimate approved by Council in February	Revised estimate	Expenditure at P12	Projected exp est by project officer	2023-24 Est for year	2024-25 Est for year	2025-26 Est for year	2026-27 Est for year	2027-28 Est for year	Future years est exp	Projected expenditure total
				(a)	(b)	(c)		(e)	(f)	(i)	(ii)	(iii)	(iv)	(v)	(g)	(b)+(f)+(g) = (h)
				£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
COMMUNITY DIRECTORATE																
		P59...	ENERGY PROJECTS per SALIX RESERVE:(PR220)			-		-	-	-					-	-
R-EN12	7-2021		LED lighting	44		-	44	-	-	44	-	-	-	-	44	44
R-EN14		P59048	MILLMEAD HOUSE & FARNHAM ROAD CP- PV	192	155		38	4	4	-					-	158
R-EN15			FARNHAM ROAD CP- PV													
		P59108	ENERGY PROJECTS per GBC INVEST TO SAVE RESERVE: GBC 'Invest to Save' energy projects (to be repaid in line with savings)			-		-	-	-					-	-
R-EN14	BID207		SMP - air source heat pump	28	1	-	27	-	-	27	-	-	-	-	27	28
ENERGY RESERVES TOTAL				264	155	-	109	4	4	71	-	-	-	-	71	230
FINANCE DIRECTORATE																
INFORMATION TECHNOLOGY - IT Renewals Reserve (PR265) : approved annually																
			Hardware / software budget	500		303	542	-	488	440	-	-	-	-	440	928
R-IT1	SW-M	P81002	Hardware	annual	annual	-	-	62	-	-	-	-	-	-	-	-
R-IT2	SW-M	P81002	Software	annual	annual	-	-	426	-	-	-	-	-	-	-	-
		12,710	P81038	ICT Refresh Phase 2		197	197	26	26	60	-	-	-	-	60	86
			P81037	Salesforce				196	196							
R-IT4	09-1920		IDOX Acolaid to Uniform	275		-	275	-	-	275	-	-	-	-	275	275
R-IT4	09-1920		LCTS alternative	56		-	56	-	-	56	-	-	-	-	56	56
IT RENEWALS RESERVE TOTAL				831	-	500	1,070	710	710	831	-	-	-	-	831	1,345
ENVIRONMENT DIRECTORATE																
SPECTRUM RESERVE																
R-S14			Spectrum schemes (to be agreed with Freedom Leisure)	431	168	263	263	-	-	-	-	-	-	-	-	168
		P22066	Spectrum - Retaining Wall (complete)	204	170		34	5	5	-	-	-	-	-	-	175
		P22067	Lido - Drainage Works (moved to Main approved)	-	-		-	-	-	-	-	-	-	-	-	-
SPECTRUM RESERVE TOTAL				635	338	263	297	5	5	-	-	-	-	-	-	343
CAR PARKS RESERVE																
R-CP1	KMc	P37503	Car parks - install/replace pay-on-foot equipment	1,170	240	-	-	-	-	-	930	-	-	-	930	1,170
			Car Parks - Lighting & Electrical Improvements:													
R-CP14	KMc/RH	P37514	Lift replacement (PR000293)	841	716	-	125	-	0	125	-	-	-	-	125	841
R-CP19	BID194	P37523	Structural works to MSCP	300	50	250	250	-	-	100	-	-	-	-	100	150
R-CP20	10-1920	P37524	MSCP- Deck surface replacement & barriers (complete)	652	526	-	126	88	88	-	-	-	-	-	-	615
R-CP21	08-2021	P37526	Additional barriers Farnham Rd	15		15	15	-	-	15	-	-	-	-	15	15
R-CP22	08-2021	P37527	Deck surface replacement (stair cores)Farnham Rd	70		70	70	-	-	70	-	-	-	-	70	70
R-CP23	08-2021	P37529	Deck surface replacement Leapale Rd(complete)	60	603	15	(3)	-	-	-	-	-	-	-	-	603
R-CP25	1 & BID 11	P37530	Structural repairs roof turret timbers Castle St	210		205	205	-	-	200	10	-	-	-	210	210
		BID12 2223	Car Park Lighting	300		300	300	303	303	-	-	-	-	-	-	303
CAR PARKS RESERVE TOTAL				4,158	2,135	855	1,088	391	391	510	940	-	-	-	1,450	3,976
SPA RESERVE :																
R-SPA1		P20...	SPA schemes (various)	100	annual	-	151	-	-	151	-	-	-	-	151	151
		P201...	Chantry Woods													
R-SPA2		P202...	Efingham													
R-SPA3		P203...	Lakeside													
R-SPA4		P204...	Riverside													
R-SPA5		P205...	Parsonage													
SPA RESERVE TOTAL				100	-	-	151	-	-	151	-	-	-	-	151	151
GRAND TOTALS				5,988	2,628	1,618	2,715	1,109	1,109	1,563	940	-	-	-	2,503	6,045

GENERAL FUND CAPITAL PROGRAMME - S106 ESTIMATED EXPENDITURE 2022-23 to 2027-28

Ref	Project Officer	Code	Service Units / Capital Schemes	Approved gross estimate	Cumulative spend at 31-03-22	2022-23		Expenditure at P12	Projected exp est by project officer	2023-24 Est for year	2024-25 Est for year	2025-26 Est for year	2026-27 Est for year	2027-28 Est for year	Future years est exp	Projected expenditure total	Grants / Contributions towards cost of scheme	Net cost of scheme	Total net cost approved by Executive
						Estimate approved by Council in February	Revised estimate												
				(a)	(b)	(c)	(d)	(e)	(f)	(i)	(ii)	(iii)	(iv)	(v)	(g)	(b)+(f)+(g) = (h)	(i)	(h)-(i)	(j)
				£000	£000	£000		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
APPROVED SCHEMES (fully funded from S106 contributions)																			
ENVIRONMENT DIRECTORATE																			
Operational Services																			
Parks and Leisure																			
S-PL36	HJ	P18177	Gunpowder mills - signage, access and woodland imps	36	22	9	14	-	0	14	-	-	-	-	14	36	(36)	-	
S-PL38	HJ	P18192	Chantry Wood Campsite	36		36	36	-	-	36	-	-	-	-	36	36	(36)	-	
S-PL51	SA	P18225	Foxenden Quarry	101	13		87	41	41	46					46	100	(100)		
S-PL48	HJ	P18230	Boardwalk Heathfield Nature Reserve	13		13	13	-	-	13					13	13	(13)		
S-PL49	SA	P18232	Waterside Playarea Muti Unit(complete)	30	28		2	2	2	-					-	30	(30)		
S-PL50	SA	P18233	Albury Playground Equip (PC) (complete)	23	17		5	-	0	-					-	18	(23)		
S-PL53	SA	P18236	Pirbright (PC) Drainage Works/Playground surfacing	10	11		-	0	0						11	(11)			
S-PL51		P18237	West Horsley PC - Litterbins				1	1	1						1	(1)			
S-PL52		P18239	Kings College Sports Facilities	226			226	226	226						226	(226)			
S-PL53	SA	P18240	SMP Tennis Fencing	12			12	12	12						12	(12)			
S-PL54	SA	P18241	Shalford park Trim Trail	12			12			12					12	(12)			
ENVIRONMENT DIRECTORATE TOTAL				498	91	58	409	282	283	121	-	-	-	-	121	495	(501)	-	-
APPROVED S106 SCHEMES TOTAL				498	91	58	409	282	283	121	-	-	-	-	121	495	(501)	-	-

SUMMARY	
APPROVED S106 SCHEMES - TOTAL	
GRAND TOTAL	

FINANCED BY - S106 CONTRIBUTIONS

91	58	409	282	283	121	-	-	-	-	121	495	(501)	-
91	58	409	282	283	121	-	-	-	-	121	495	(501)	-

(91)	(58)	(409)	(282)	(283)	(121)	-	-	-	-	(121)	(495)	501	-
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GENERAL FUND CAPITAL PROGRAMME : SUMMARY OF RESOURCES AND FINANCIAL IMPLICATIONS

1.0 AVAILABILITY OF RESOURCES - NOTES :

1.1 The following balances have been calculated taking account of estimated expenditure on the approved capital schemes

1.2 The actuals for 2021-22 have not been audited.

1.3 Funding assumptions:

1. All capital expenditure will be funded in the first instance from available capital receipts and the General Fund capital programme reserve.
2. Once the above resources have been exhausted in any given year, the balance of expenditure will be financed from borrowing, both internally and externally, depending upon the Council's financial situation at the time.

1.4 These projections are based on estimated project costs, some of which will be 'firmed up' in due course. Any variations to the estimates and the phasing of expenditure will affect year on year funding projections.

2.0 Capital receipts - Balances (T01001)

	2021-22 Actuals £000	2022-23 Budget £000	2022-23 Est Outturn £000	2023-24 Estimate £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000
Balance as at 1 April	112	0	127	0	0	0	0	0
Add estimated usable receipts in year	984	0	159	0	0	21,641	27,117	22,593
Less applied re funding of capital schemes	(969)	0	(286)	0	0	(21,641)	(27,117)	(22,593)
Balance after funding capital expenditure as at 31 March	127	0	0	0	0	0	0	0

GENERAL FUND CAPITAL PROGRAMME : SUMMARY OF RESOURCES AND FINANCIAL IMPLICATIONS

during year = outturn (col v, actual = col u)

3.0 Capital expenditure and funding - summary

Estimated capital expenditure

Main programme - approved

Main programme - provisional

s106

Reserves

GF Housing

Total estimated capital expenditure

To be funded by:

Capital receipts (*per 2.above*)

Contributions

R.C.C.O.:

Other reserves

Balance of funding to be met from (i) the Capital Reserve, and (ii) borrowing

Total funding required

	2021-22 Actuals £000	2022-23 Budget £000	2022-23 Est Outturn £000	2023-24 Estimate £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000
	38,096	111,949	34,053	157,316	26,858	2,666	2,000	2,000
	0	44,486	0	8,234	38,854	59,863	41,892	72,345
	72	58	283	121	0	0	0	0
	1,609	1,618	1,109	1,563	940	0	0	0
	0	0	0	0	0	0	0	0
Total estimated capital expenditure	39,777	158,111	35,445	167,234	66,652	62,529	43,892	74,345
To be funded by:								
Capital receipts (<i>per 2.above</i>)	(969)	0	(286)	0	0	(21,641)	(27,117)	(22,593)
Contributions	(12,936)	(47,472)	(6,802)	(40,325)	0	(1,020)	0	0
<u>R.C.C.O.:</u>								
Other reserves	(1,609)	(1,838)	(2,275)	(1,512)	(1,160)	(220)	0	0
	0	0	0	0	0	0	0	0
	(15,513)	(49,310)	(9,363)	(41,837)	(1,160)	(22,881)	(27,117)	(22,593)
Balance of funding to be met from (i) the Capital Reserve, and (ii) borrowing	(24,264)	(108,801)	(26,082)	(125,397)	(65,492)	(39,648)	(16,775)	(51,752)
Total funding required	(39,777)	(158,111)	(35,445)	(167,234)	(66,652)	(62,529)	(43,892)	(74,345)

4.0 General Fund Capital Schemes Reserve (U01030)

Balance as at 1 April

Add: General Fund Revenue Budget variations

Contribution from revenue

Less: Applied re funding of capital programme

Balance after funding capital expenditure etc.as at 31 March

	2021-22 Actuals £000	2022-23 Budget £000	2022-23 Est Outturn £000	2023-24 Estimate £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
Balance after funding capital expenditure etc.as at 31 March	0	0	0	0	0	0	0	0

Estimated shortfall at year-end to be funded from borrowing

24,264	108,801	26,082	125,397	65,492	39,648	16,775	51,752
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GENERAL FUND CAPITAL PROGRAMME : SUMMARY OF RESOURCES AND FINANCIAL IMPLICATIONS

5.0 Housing capital receipts (pre 2013-14) - estimated availability/usage for Housing, Affordable Housing and Regeneration projects - GBC policy

	2021-22 Actuals £000	2022-23 Budget £000	2022-23 Est Outturn £000	2023-24 Estimate £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000
Balance as at 1 April (T01008)	0	0	0	0	0	0	0	0
Add: Estimated receipts in year	0	0	0	0	0	0	0	0
Less: Applied re Housing (General Fund) capital programme	0	0	0	0	0	0	0	0
Less: Applied re Housing company	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
Less: Applied on regeneration schemes	0	0	0	0	0	0	0	0
Housing receipts - estimated balance in hand at year end	0	0	0	0	0	0	0	0

5.1 Housing capital receipts (post 2013-14) - estimated availability/usage for Housing, Affordable Housing and Regeneration projects only (statutory (impact CFR))

	2021-22 Actuals £000	2022-23 Budget £000	2022-23 Est Outturn £000	2023-24 Estimate £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000
Balance as at 1 April (T01012)	0	0	0	0	0	0	0	0
Add: Estimated receipts in year	802	289	0	289	292	295	298	301
Less: Applied re Housing (General Fund) capital programme	(752)	(220)	0	(100)	(220)	(220)	(220)	(220)
Less: Applied re Housing Improvement programme	(50)	(69)	0	(189)	(72)	(75)	(78)	(81)
	0	0	0	0	0	0	0	0
Less: Applied on regeneration schemes	0	0	0	0	0	0	0	0
Housing receipts - estimated balance in hand	0	0	0	0	0	0	0	0

Total £'000s

6.1 Estimated annual borrowing requirement

Bids for funding (net)	24,264	108,801	26,082	125,397	65,492	39,648	16,775	51,752	325,146
Total estimated borrowing requirement if all bids on Appendix 1 approved		108,801	26,082	125,397	65,492	39,648	16,775	51,752	325,146

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GUILDFORD B.C. - HOUSING INVESTMENT PROGRAMME 2022-23 to 2027-28: HRA APPROVED PROGRAMME

	Project Budget £000	2021-22 Actual £000	Project Spend at 31-03-22 £000	2022-23 Estimate £000	Carry Forward	2022-23 Revised Estimate £000	Expenditure as at 07.03.23 £000	2022-23 Projected Outturn £000	2023-24 Estimate £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000	Total Project Exp £000
Acquisition of Land & Buildings	22,900	6,804	14,218	4,800	(118)	4,682	4,165	4,165	4,524	0	0	0	0	22,906
New Build														
N30011 Guildford Park	75	0	75	0	0	0	0	0	0	0	0	0	0	75
Guildford Park (from GF)	6,500	378	3,526	1,100	608	1,708	1,766	1,766	1,209	0	0	0	0	6,500
N30023 Bright Hill	500	17	17	463	20	483	50	50	433	0	0	0	0	500
N30029 Foxburrows Redevelopment	10,657			9,591	0	9,591	0	0	9,591	1,066				10,657
N30020 Shawfield Redevelopment	300		4	296	0	296	0	0	296					300
Various small sites & feasibility/Site preparation	1,000		0	0	0	0	0	0	0	1,000	0	0	0	1,000
Pipeline projects:	9,425		115	0	100	100	0	0	3,741	5,381	0	0	0	9,425
N30022 Manor House Flats		42	42	1,530		1,530	20	20						
N30026 Banders Rise		1	1	130		130	5	5						
N30027 Station Road East		2	2	112		112	4	4						
N30028 Dunmore Garden Land		1	1	159		159	5	5						
N30030 Clover Road Garages		46	46	1,032		1,032	11	11						
N30031 Rapleys Field		18	18	415		415	11	11						
N30032 Georgelands 108		1	1	118		118	4	4						
N30033 27 Broomfield		4	4	109		109	5	5						
N30034 17 Wharf Lane		4	4	104		104	4	4						
Development Projects	7,100			7,100		7,100			7,100					7,100
Schemes to promote Home-Ownership														
Equity Share Re-purchases	annual	458	annual	400	0	400	0	0	400	400	400	0	0	annual
Major Repairs & Improvements				24,500	0	24,500		0	20,600					
Retentions & minor carry forwards	annual	0	annual				0	0						annual
Modern Homes - Kitchens, Bathrooms & Void refurb	annual	971	annual				6,602	6,602						annual
Doors and Windows	annual	241	annual				908	908						annual
Structural/Roof	annual	307	annual				1,056	1,056						annual
Energy efficiency: Central heating/Lighting	annual	1,262	annual				1,948	1,948						annual
General	annual	880	annual				9,794	9,794						annual
ICT - Housing Management System	1,900			950		950		0	950	950				1,900
Grants														
Cash Incentive Scheme	annual	0	annual	0	0	0	0	0						annual
TOTAL APPROVED SCHEMES	60,357	11,438	18,074	52,909	610	53,519	26,355	26,355	48,844	8,797	400	0	0	60,363

GUILDFORD B.C. - HOUSING INVESTMENT PROGRAMME 2022-23 to 2027-28: HRA PROVISIONAL PROGRAMME

Project Budget £000	2021-22 Actual £000	Project Spend at 31-03-22 £000	2022-23 Estimate £000	Carry Forward	2022-23 Revised Estimate	2022-23 Projected Outturn £000	2023-24 Estimate £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000	Total Project Exp £000
New Build												
Guildford Park	16,000	0	1,225	26	0	26	0	0	14,775	0	0	16,000
Guildford Park (from GF)	23,125	0	0	0	0	0	1,173	13,749	8,203	0	0	23,125
Bright Hill	3,000	0	0	3,000	0	3,000	3,000	0	0	0	0	3,000
Bright Hill Development (from GF)	13,500	0	0	680	0	680	5,680	7,000	820	0	0	13,500
Slyfield (25/26 £5m; 26/27 £44m)	50,000	0	0	1,000	0	1,000	0	0	5,000	44,000	0	49,000
Shawfield Redevelopment	3,000	0	0	2,500	0	2,500	500	0	0	0	0	500
Major Repairs & Improvements												
Major Repairs & Improvements	annual		annual	0	0	0		5,500	5,500	5,500	5,500	annual
Retentions & minor carry forwards	annual		annual									annual
Modern Homes: Kitchens and bathrooms	annual		annual									annual
Doors and Windows	annual		annual									annual
Structural	annual		annual									annual
Energy efficiency: Central heating	annual		annual									annual
General	annual		annual									annual
Grants												
Cash Incentive Scheme	annual		annual	75		75	75	75	75	75	75	annual
Total Expenditure to be financed	108,625	0	1,225	7,281	0	7,281	10,428	26,324	34,373	49,575	5,575	105,125

GUILDFORD B.C. - HOUSING INVESTMENT PROGRAMME 2022-23 to 2027-28: HRA RESOURCES AND FUNDING STATEMENT

	2021-22 Actual	2022-23 Estimate	2022-23 Projected Outturn	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate
	£000	£000	£000	£000	£000	£000	£000	£000
EXPENDITURE								
Approved programme	15,739	52,909	26,355	48,844	8,797	400	0	0
Provisional programme	0	7,281	0	10,428	26,324	34,373	49,575	5,575
Total Expenditure	15,739	60,190	26,355	59,272	35,121	34,773	49,575	5,575
FINANCING OF PROGRAMME								
Capital Receipts	752	400	400	400	400	400	0	0
1-4-1 receipts	2,980	8,140	2,419	8,898	3,030	3,121	3,213	0
Contribution from Housing Revenue a/c (re cash incentives)	0	75	0	75	75	75	75	75
Future Capital Programme reserve	0	11,547	4,794	21,101	8,248	8,398	14,387	0
Major Repairs Reserve	8,153	13,903	15,113	6,450	5,500	5,500	5,500	5,500
New Build Reserve	3,824	26,125	3,629	22,348	16,918	17,279	26,400	0
Grants and Contributions	30	0	0	0	0	0	0	0
Total Financing (= Total Expenditure)	15,739	60,190	26,355	59,272	34,171	34,773	49,575	5,575
RESERVES - BALANCES								
	2021-22 Actual	2022-23 Estimate	2022-23 Projected Outturn	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate
	£000	£000	£000	£000	£000	£000	£000	£000
Reserve for Future Capital Programme (U0103) Ju								
Balance b/f	38,329	40,829	40,829	38,535	19,934	14,186	8,288	-3,599
Contribution in year	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Used in year	0	-11,547	-4,794	-21,101	-8,248	-8,398	-14,387	
Balance c/f	40,829	31,782	38,535	19,934	14,186	8,288	-3,599	-1,099
Major Repairs Reserve (U01036)								
Balance b/f	11,876	8,378	9,588	0	-925	-925	-925	-925
Contribution in year	5,865	5,525	5,525	5,525	5,500	5,500	5,500	5,500
Used in Year	-8,153	-13,903	-15,113	-6,450	-5,500	-5,500	-5,500	-5,500
Balance c/f	9,588	0	0	-925	-925	-925	-925	-925
New Build Reserve (U01069)								
Balance b/f	59,383	62,477	63,398	66,843	52,878	44,511	35,954	18,450
Contribution in year	7,839	8,383	7,074	8,383	8,551	8,722	8,896	9,074
Used in Year	-3,824	-26,125	-3,629	-22,348	-16,918	-17,279	-26,400	0
Balance c/f	63,398	44,735	66,843	52,878	44,511	35,954	18,450	27,524

Usable Capital Receipts: 1-4-1 receipts (T01011)

Balance b/f	4,526	5,412	5,226	6,018	-3	49	102	157
Contribution in year	3,680	2,728	3,211	2,876	3,083	3,174	3,268	3,334
Repayment in year	0	0	0	0	0	0	0	0
Used in Year	-2,980	-8,140	-2,419	-8,898	-3,030	-3,121	-3,213	
Balance c/f	5,226	0	6,018	-3	49	102	157	3,491

Note: a contribution to this reserve is dependent on the number of RTB sales in the year determined in the HRA self financing model. There are many variables to the calculation of the 1:4:1 contribution. As an estimate, I have used a model provided by Sector which is based on our assumption of RTB sales

Usable Capital Receipts - HRA Debt Repayment (T01010)

Balance b/f	4,262	4,308	5,280	6,123	6,845	7,629	8,439	9,274
Contribution in year	1,017	661	843	722	784	810	836	862
Used in Year	0	0	0	0	0	0	0	0
Balance c/f	5,280	4,969	6,123	6,845	7,629	8,439	9,274	10,137

Note: each RTB sale generates a contribution to this reserve toward debt repayment determined in the HRA self financing model. A small number of sales are anticipated each year.

Usable Capital Receipts - pre 2013-14 (T01008)

Balance b/f	0	0	0	0	0	0	0	0
Contribution in year	0	0	0	0	0	0	0	0
Used in Year (HRA = above)	0	0	0	0	0	0	0	0
Used in Year (GF Housing Co)	0	0	0	0	0	0	0	0
Used in Year (GF Housing - DFG)	0	0	0	0	0	0	0	0
Balance c/f	0	0	0	0	0	0	0	0

Note: Can only be used for HRA capital expenditure, affordable housing and regeneration schemes as set by GBC policy

Usable Capital Receipts - post 2013-14 (T01012)

Balance b/f	0	0	50	348	360	371	383	395
Contribution in year	802	289	298	301	304	307	310	313
Used in Year (HRA = above)	-752	-69	0	-189	-72	-75	-78	-78
Used in Year (GF Housing)	0	-220	0	-100	-220	-220	-220	-220
Balance c/f	50	0	348	360	371	383	395	410

Note: Can only be used for HRA capital expenditure, affordable housing and regeneration schemes as set by the Government

Schedule of Investments at 31 March 2023

Counter Party	Principal (£)	Rate	Start	End
Fixed Investments				
LA - Mid Suffolk DC	5,000,000	0.38%	05-Jul-21	05-Jul-23
Yorkshire Housing	5,000,000	1.00%	09-Jun-21	09-Jun-23
LA - Cherwell DC	5,000,000	0.40%	13-Jan-22	13-Jul-23
People for Places	5,000,000	1.00%	17-Jun-21	19-Jun-23
Southern Housing Group	6,000,000	2.25%	15-Mar-23	08-Jul-23
LA - Somerset W & Taunton 495	5,000,000	1.1500	21-Apr-22	31-Mar-23
LA - Gravesham 493	5,000,000	1.2500	29-Apr-22	31-Mar-23
LA - Croydon 468	5,000,000	0.5000	6-Jul-22	31-Mar-23
LA - Croydon 469	5,000,000	0.5000	6-Jul-22	31-Mar-23
Southern Housing Group Ltd	6,000,000	2.2500	15-Mar-23	31-Mar-23
LA - Barking & Dagenham 565	4,000,000	4.1000	28-Feb-23	31-Mar-23
LA - Central Bedfordshire 566	5,000,000	4.4000	9-Mar-23	31-Mar-23
LA- Stockport 567	5,000,000	4.5500	16-Mar-23	31-Mar-23
Total	66,000,000			
Covered Bonds				
NATIONWIDE	850,000		12-Apr-18	12-Apr-23
SANTANDER	1,000,000		12-Feb-19	12-Feb-24
COVENTRY	500,000		15-Jan-20	15-Jan-25
NATIONWIDE	1,500,000		10-Jan-20	10-Jan-25
LEEDS	750,000		15-Jan-20	15-Jan-25
NAB	1,000,000		04-Feb-20	04-Feb-25
RBC	1,500,000		13-Jul-21	13-Jul-26
RBC	500,000		13-Jul-21	13-Jul-26
BNS	300,000		26-Jan-22	26-Jan-26
LEEDS	2,000,000		15-May-22	15-May-27
Barclays	1,500,000		16-Nov-22	16-Nov-27
Northern Trust	1,500,000			
Total	12,900,000			
Notice Account				
Barclays	3,000,000			
Total	3,000,000			
Call Account				
HSBC	0			
Total	0			

Money Market Funds				
Aberdeen	0			
Aviva	0			
BNP	0			
CCLA	3,875,000			
Federated	0			
Total	3,875,000			
Total Internally Managed Funds	85,775,000			
Externally Managed Funds				
Aegon	2,406,382			
CCLA	6,349,562			
Federated	0			
Fundamentum	1,880,000			
M&G	0			
Royal London	2,132,763			
Schroders	732,590			
UBS	1,767,992			
Funding Circle	96,005			
Total Externally Managed	15,365,294			
Total Investments	101,140,294			

Schedule of investments at 31 March 2021

Counterparty	Principal £	Rate	Start	End
Fixed investments				
LA - LB Islington	5,000,000	1.0000%	07-Apr-20	06-Apr-21
LA - Birmingham City Council	5,000,000	1.1000%	27-Apr-20	26-Apr-21
Metropolitan Housing Trust	2,000,000	1.5000%	28-May-20	28-May-21
LA - Plymouth Council	5,000,000	0.1200%	05-Jan-21	05-Jul-21
LA - Wokingham BC	5,000,000	0.2700%	10-Nov-20	09-Nov-21
LA - Thurrock Council	2,000,000	0.3800%	04-Jan-21	04-Jan-22
LA - Thurrock Council	4,000,000	0.3800%	13-Jan-21	12-Jan-22
LA - Aberdeen City	5,000,000	0.1000%	18-Jan-21	17-Jan-22
LA - IOW	5,000,000	0.1000%	20-Jan-21	19-Jan-22
LA - Thurrock Council	4,000,000	0.3800%	02-Feb-21	01-Feb-22
LA - Warrington BC	10,000,000	0.3000%	12-Mar-21	11-Mar-22
LA - PCC Sussex	4,000,000	0.0500%	30-Mar-21	28-May-21
	56,000,000			
Short-term Bonds				
London Stock Exchange	2,000,000	0.1720%	19-Jan-21	02-Nov-21
	2,000,000			
Long-term Covered bonds				
National Australia Bank	2,000,000	1.1250%	10-Nov-16	10-Nov-21
Commonwealth Bank of Austr	2,000,000	1.1250%	18-Jan-17	22-Dec-21
CIBC	2,000,000	1.1250%	17-Jul-17	30-Jun-22
Santander UK plc	1,000,000	0.3034%	16-Nov-17	16-Nov-22
Barclays Bank UK PLC	1,000,000	0.4771%	23-Oct-18	09-Jan-23
Nationwide	850,000	0.4729%	12-Apr-18	12-Apr-23
United Overseas Bank	1,000,000	0.3040%	01-Feb-19	28-Feb-23
Santander UK plc	1,000,000	0.7850%	12-Feb-19	12-Feb-24
Nationwide	1,500,000	0.6070%	10-Jan-20	10-Jan-25
Leeds BS	750,000	0.5967%	15-Jan-20	15-Jan-25
Coventry BS	500,000	0.5767%	15-Jan-20	15-Jan-25
Lloyds	1,500,000	0.4255%	03-Feb-20	03-Feb-23
National Australia Bank	1,000,000	0.5555%	04-Feb-20	04-Feb-25
	16,100,000			

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Counterparty	Principal £	Rate	Start	End
Long-term investments				
Staffordshire Moorlands	1,500,000	1.3000%	20-May-20	20-May-22
LB Croydon	5,000,000	0.9500%	05-May-20	04-May-21
Highland Council	5,000,000	2.0000%	14-Apr-20	14-Apr-21
Rugby Borough Council	2,000,000	2.0500%	15-Apr-20	15-Apr-21
Southern Housing Group Ltd	6,000,000	1.4500%	09-Mar-21	09-Sep-21
Uttlesford DC - Saffron Walden	3,000,000	0.4500%	24-Nov-20	24-May-22
	22,500,000			
Notice Accounts				
Barclays	3,000,000			
	3,000,000			
Call Account				
HSBC	325,500			
	325,500			
Money market funds				
Aberdeen	7,029,000			
BNP	5,203,000			
Aviva	8,466,000			
CCLA	7,000,000			
Federated	11,521,000			
	39,219,000			
Total internally managed	139,144,500			
Externally managed				
CCLA	6,491,179			
Federated Cash Plus	5,000,000			
Royal London	2,332,194			
M&G	3,528,656			
Schroders	697,631			
Fundamentum (REIT)	1,970,000			
UBS	2,203,598			
Funding Circle	508,476			
Total Externally managed	22,731,734			
Total investments	161,876,234			

Arlingclose Commentary - Economic Review as at March 23

Economic background: The war in Ukraine continued to keep global inflation above central bank targets and the UK economic outlook remained relatively weak with the chance of a mild recession. The economic backdrop during the January to March period continued to be characterised by high energy and commodity prices, high inflation, and the associated impact on household budgets and spending.

Central Bank rhetoric and actions remained consistent with combatting inflation. The Bank of England, US Federal Reserve, and European Central Bank all increased interest rates over the period, even in the face of potential economic slowdowns in those regions.

Starting the financial year at 5.5%, the annual CPI measure of UK inflation rose strongly to hit 10.1% in July and then 11.1% in October. Inflation remained high in subsequent months but appeared to be past the peak, before unexpectedly rising again in February. Annual headline CPI registered 10.4% in February, up from 10.1% in January, with the largest upward contributions coming from food and housing. RPI followed a similar pattern during the year, hitting 14.2% in October. In February RPI measured 13.8%, up from 13.4% in the previous month.

Following the decision by the UK government under Rishi Sunak and Jeremy Hunt to reverse some of the support to household energy bills announced under Liz Truss, further support in the form of a cap on what energy suppliers could charge household was announced in the March Budget to run from April until end June 2023. Before the announcement, typical household bills had been due to rise to £3,000 a year from April.

The labour market remained tight albeit with some ongoing evidence of potential loosening at the end of the period. The unemployment rate 3mth/year eased from 3.8% April-June to 3.6% in the following quarter, before picking up again to 3.7% between October-December. The most recent information for the period December-February showed an unemployment rate of 3.7%.

The inactivity rate was 21.3% in the December-February quarter, slightly down from the 21.4% in the first quarter of the financial year. Nominal earnings were robust throughout the year, with earnings growth in December-February at as 5.7% for both total pay (including bonuses) and 6.5% for regular pay. Once adjusted for inflation, however, both measures were negative for that period and have been so throughout most of the year.

Despite household budgets remaining under pressure, consumer confidence rose to -36 in March, following readings of -38 and -45 in the previous two months, and much improved compared to the record-low of -49 in September. Quarterly GDP was soft through the year, registering a 0.1% gain in the April-June period, before contracting by (an upwardly revised) -0.1% in the subsequent quarter. For the October-December period was revised upwards to 0.1% (from 0.0%), illustrating a resilient but weak economic picture. The annual growth rate in Q4 was 0.6%.

The Bank of England increased the official Bank Rate to 4.25% during the financial year. From 0.75% in March 2022, the Monetary Policy Committee (MPC) pushed through rises at every subsequent meeting over the period, with recent hikes of 50bps in December and February and then 25bps in March, taking Bank Rate to 4.25%. March's rise was voted by a majority of 7-2, with two MPC members preferring to maintain Bank Rate at 4.0%. The Committee noted that inflationary pressures remain elevated with growth stronger than was expected in the February Monetary Policy Report. The February vote was also 7-2 in favour of a hike, and again with two members preferring to keep Bank Rate on hold.

After reaching 9.1% in June, annual US inflation slowed for eight consecutive months to 6% in February. The Federal Reserve continued raising interest rates over the period with consecutive increases at each Federal Open Market Committee meetings, taking policy rates to a range of 4.75%-5.00% at the March meeting.

From the record-high of 10.6% in October, Eurozone CPI inflation fell steadily to 6.9% in March 2023. Energy prices fell, but upward pressure came from food, alcohol, and tobacco. The European Central Bank continued increasing interest rates over the period, pushing rates up by 0.50% in March, taking the deposit facility rate to 3.0% and the main refinancing rate to 3.5%.

Financial markets: Uncertainty continued to be a key driver of financial market sentiment and bond yields remained relatively volatile due to concerns over elevated inflation and higher interest rates, as well as the likelihood of the UK entering a recession and for how long the Bank of England would continue to tighten monetary policy. Towards the end of the period, fears around the health of the banking system following the collapse of Silicon Valley Bank in the US and purchase of Credit Suisse by UBS caused further volatility.

Over the period the 5-year UK benchmark gilt yield rose from 1.41% to peak at 4.70% in September before ending the financial year at 3.36%. Over the same timeframe the 10-year gilt yield rose from 1.61% to peak at 4.51% before falling back to 3.49%, while the 20-year yield rose from 1.82% to 4.96% and then declined to 3.82%. The Sterling Overnight Rate (SONIA) averaged 2.24% over the period.

Credit review: Early in the period, Moody's affirmed the long-term rating of Guildford BC but revised the outlook to negative. The agency also downgraded Warrington BC and Transport for London.

In July Fitch revised the outlook on Standard Chartered and Bank of Nova Scotia from negative to stable and in the same month Moody's revised the outlook on Bayerische Landesbank to positive. In September S&P revised the outlook on the Greater London Authority to stable from negative and Fitch revised the outlook on HSBC to stable from negative.

The following month Fitch revised the outlook on the UK sovereign to negative from stable. Moody's made the same revision to the UK sovereign, following swiftly after with a similar move for a number of local authorities and UK banks including Barclays Bank, National Westminster Bank (and related entities) and Santander.

During the last few months of the reporting period there were only a handful of credit changes by the rating agencies, then in March the collapse of Silicon Valley Bank (SVB) in the US quickly spilled over into worries of a wider banking crisis as Credit Suisse encountered further problems and was bought by UBS.

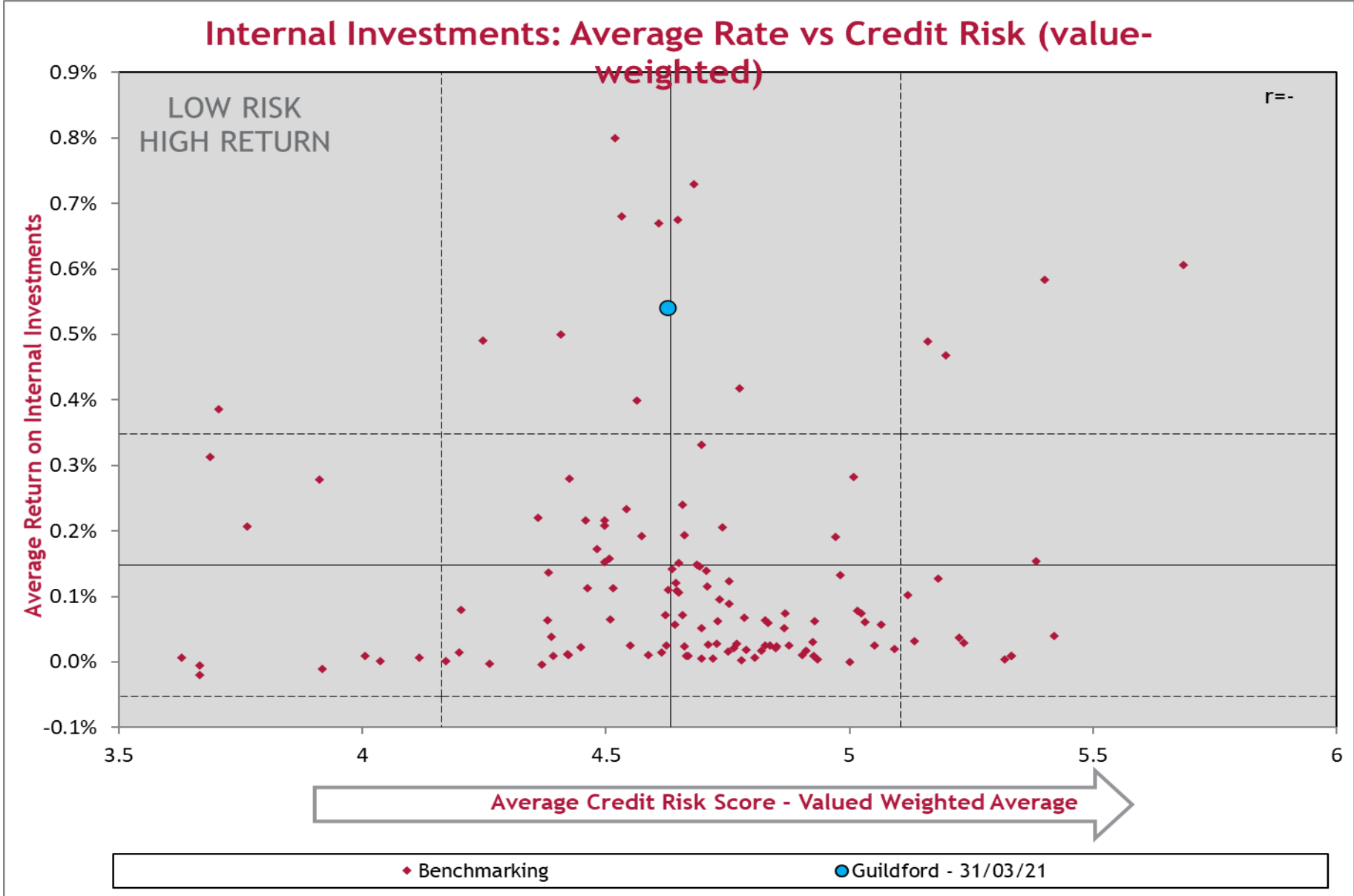
Credit Default Prices had been rising since the start of the period on the back of the invasion of Ukraine, and in the UK rose further in September/October at the time of the then-government's mini budget. After this, CDS prices had been falling, but the fallout from SVB caused a spike on the back of the heightened uncertainty. However, they had moderated somewhat by the end of the period as fears of contagion subsided, but many are still above their pre-March levels reflecting that some uncertainty remains.

On the back of this, Arlingclose reduced its recommended maximum duration limit for unsecured deposits for all UK and Non-UK banks/institutions on its counterparty list to 35 days as a precautionary measure. No changes were made to the names on the list.

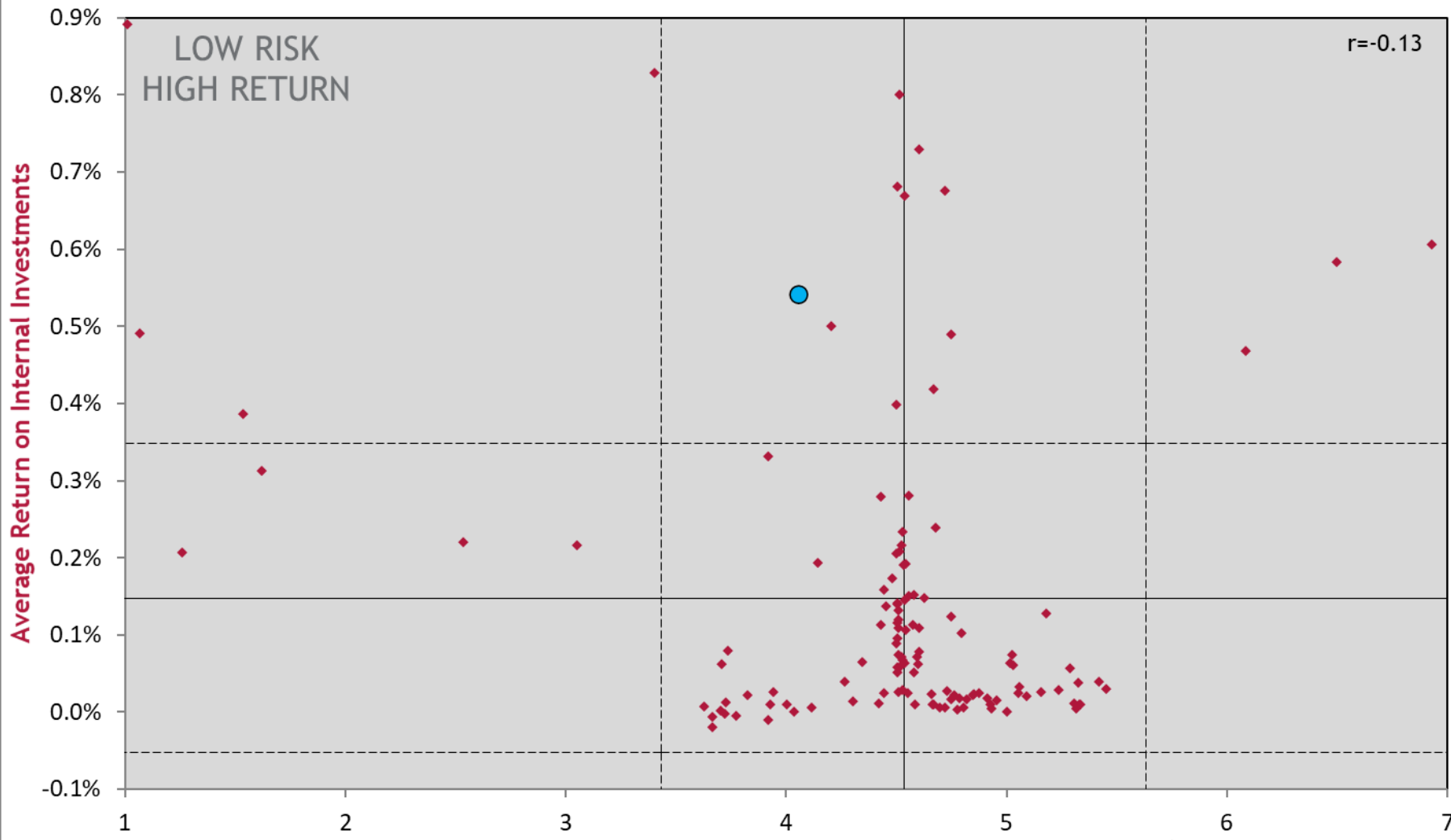
As market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remains under constant review.

Local authorities remain under financial pressure, but Arlingclose continues to take a positive view of the sector, considering its credit strength to be high. Section 114 notices have been issued by only a handful of authorities with specific issues. While Arlingclose's advice for local authorities on its counterparty list remains unchanged, a degree caution is merited with certain authorities.

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Average Rate vs Credit Risk (time-weighted)



Average Credit Risk Score - Time Weighted Average

◆ Benchmarking ● Guildford - 31/03/21

Credit score analysis

Scoring:

Long-Term Credit Rating	Score
AAA	1
AA+	2
AA	3
AA-	4
A+	5
A	6
A-	7
BBB+	8
BBB	9
BBB-	10

The value-weighted average reflects the credit quality of investments according to the size of the deposit. The time-weighted average reflects the credit quality of investments according to the maturity of the deposit

The Authority aimed to achieve a score of 7 or lower, to reflect the council’s overriding priority of security of monies invested and the minimum credit rating of threshold of A- for investment counterparties.

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Credit Rating Equivalents and Definitions

	Fitch	Moody's	Standard & Poor's
Long Term Investment Grade	AAA	Aaa	AAA
	AA+	Aa1	AA+
	AA	Aa2	AA
	AA-	Aa3	AA-
	A+	A1	A+
	A	A2	A
	A-	A3	A-
	BBB+	Baa1	BBB+
	BBB	Baa2	BBB
	BBB-	Baa3	BBB-
Sub Investment Grade	BB+	Ba1	BB+
	BB	Ba2	BB
	BB-	Ba3	BB-
	B+	B1	B+
	B	B2	B
	B-	B3	B-
	CCC+	Caa1	CCC+
	CCC	Caa2	CCC
	CCC-	Caa3	CCC-
	CC+	Ca1	CC+
	CC	Ca2	CC
	CC-	Ca3	CC-
	C+	C1	C+
	C	C2	C
	C-	C3	C-
	D		D or SD

Fitch	Moody's	Standard & Poor's
<p>AAA</p> <p>Highest credit quality. 'AAA' ratings denote the lowest expectation of credit risk. They are assigned only in the case of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.</p>	<p>Aaa</p> <p>Obligations rated Aaa are judged to be of the highest quality, with minimal credit risk.</p>	<p>AAA</p> <p>An obligator rated 'AAA' has extremely strong capacity to meet its financial commitments. 'AAA' is the highest issuer credit rating assigned by Standard & Pools.</p>
<p>AA</p> <p>Very high credit quality. 'AA' ratings denote expectations of very low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.</p>	<p>Aa</p> <p>Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.</p>	<p>AA</p> <p>An obligator rated 'AA' has very strong capacity to meets its financial commitments. It differs from the highest rated obligators only to a small degree.</p>
<p>A</p> <p>High credit quality. 'A' ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.</p>	<p>A</p> <p>Obligations rated A are considered upper-medium grade and are subject to low credit risk.</p>	<p>A</p> <p>An obligator rated 'A' has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligators in higher rated categories.</p>
<p>BBB</p> <p>Good credit quality. 'BBB' ratings indicate that there are currently expectations of low credit risk. The capacity for payment of financial commitments is considered adequate but adverse changes in circumstances and economic conditions are more likely to impair this capacity. This is the lowest investment grade category.</p>	<p>Baa</p> <p>Obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess certain speculative characteristics.</p>	<p>BBB</p> <p>An obligator rated 'BBB' has adequate capacity to meets its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligator to meet its financial commitments.</p>

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Background to externally managed funds

CCLA – The Local Authorities Property Fund

The fund's objective is to generate long-term growth in capital and a high and rising income over time.

The aim is to have high quality, well-diversified commercial and industrial property portfolio, in the UK, focussing on delivering attractive income and is actively managed to add value.

The fund will maintain a suitable spread between different types of property and geographical location. Importance will be attached to location, standard of construction and quality of covenant with lease terms preferably embodying upwards only rent reviews at intervals of not more than five years.

Schroder Income Maximiser Fund

The funds objective is to provide income with potential capital growth primarily through investment in equity and equity related securities of UK companies. The fund will also use derivative instruments to generate income.

The manager may selectively sell short dated call options over securities or portfolios of securities held by the fund or indicies, in order to generate additional income by setting target 'strike' prices at which those securities may be sold in the future. The manger may also, for the purpose of efficient management, use derivative instruments which replicate the performance of a basket of short dated call options or a combination of equity securities and short dated call options. Investment will be in directly held transferable securities. The fund may also invest in collective investment schemes, derivatives, cash, deposits, warrants and money market transactions.

The fund aims to deliver a target yield of 7% per year, although this is an estimate and is not guaranteed. There are four quarterly distributions in a year, each calculated by dividing the quarterly distribution amount by the unit price at the start of that quarter.

UBS Multi-Asset Income Fund

The fund seeks to provide income, through a diversified portfolio of investments. Capital growth will not be a primary consideration, although opportunities for growth may occur if market conditions are favourable.

The fund will invest in a mix of transferrable securities including domestic and international equities and bonds, units in collective investment schemes, warrants, money market instruments, deposits, and cash or near cash, as the Investment Manager deems appropriate. There are no geographical restrictions on the countries of investment.

The Fund may use a range of derivative instruments which include foreign exchange, forward and futures contracts, swaps and options and other derivatives for investment purposes and / or to manage interest rate and currency exposures.

Index futures and other derivatives are used to manage market exposure inherent in an invested portfolio. Increasing or reducing market and currency exposure will entail the use of long or net short positions in some derivative instruments.

Risk profile

The main risks arising from the funds instruments are market price risk and foreign currency risk. Market price risk is the uncertainty about future price movements of the financial instruments the fund is invested in. Foreign currency risk is the risk that the value in the funds investments will fluctuate as a result in foreign exchange rates. Where the fund invests in overseas securities, the balance sheet can be affected by these funds due to movements in foreign exchange rates.

Investments in less developed markets may be more volatile than investments in more established markets. Less developed markets may have additional risks due to less established market practices. Poor liquidity may result in a holding being sold at a less favourable price, or another holding having to be sold instead.

Bonds carry varying levels of underlying risk, including default risk, dependent upon their type. These range from gilts, which carry limited levels, to speculative/non-investment grade corporate bonds, that carry higher levels of risk but with the potential for greater capital growth.

Over 35% of the fund may be invested in securities issued by any one body.

The fund will use derivatives as part of its investment capabilities. This allows it to take 'short positions' in some investments and it can sell a holding they do not own, on the anticipation that its value will fall. These instruments carry a material level of risk and the fund could potentially experience higher levels of volatility should the market move against them.

In order to trade in derivative instruments they enter into an agreement with various counterparties. Whilst they assess the credit worthiness of each counterparty, the fund is at risk that it may not fulfil its obligations under the agreement.

In aiming to reduce the volatility of the fund they utilise a risk management process to monitor the level of risk taken in managing the portfolio, however there is no guarantee that this process will work in all instances

Glossary

Arlingclose – the Council’s treasury management advisors

Authorised Limit – the maximum amount of external debt at any one time in the financial year

Bail in risk – following the financial crisis of 2008 when governments in various jurisdictions injected billions of dollars into banks as part of bail-out packages, it was recognised that bondholders, who largely remained untouched through this period, should share the burden in future by making them forfeit part of their investment to “bail-in” a bank before taxpayers are called upon.

A bail in takes place before a bankruptcy and under current proposals, regulators would have the power to impose losses on bondholders while leaving untouched other creditors of similar stature, such as derivatives counterparties. A corollary to this is that bondholders will require more interest if they are to risk losing money to a bail-in.

Balances and Reserves – accumulated sums that are maintained either earmarked for specific future costs or commitments or generally held to meet unforeseen or emergency expenditure

Bank of England – the central bank for the UK. It has a wide range of responsibilities, including act as the Government’s bank and the lender of last resort, it issues currency and, most importantly, oversees monetary policy.

Bank Rate – the Bank of England base rate

Banks – Secured – covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the banks assets, which limits the potential losses in the unlikely event of insolvency and means they are exempt from bail in.

Banks – Unsecured – accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. Subject to the risk of credit loss via a bail in should the regular determine that the bank is failing or likely to fail.

Bonds – bonds are debt instruments issued by government, multinational companies, banks and multilateral development banks. Interest is paid by the issuer to the bond holder at regular pre-agreed periods. The repayment date of the principal is also set at the outset.

Capital expenditure – expenditure on the acquisition, creation or enhancement of capital assets

Capital Financing Requirement (CFR) – the Council’s underlying need to borrow for a capital purpose, representing the cumulative capital expenditure of the Council that has not been financed

CCLA – the local authority property investment fund

Certainty rate – the government has reduced by 20 basis points (0.20%) the interest rates on loans via the Public Works Loan Board (PWLB) to principal local authorities who provide information as specified on their plans for long-term borrowing and associated capital spending.

Certificates of deposit – Certificates of deposit (CDs) are negotiable time deposits issued by banks and building societies and can pay either fixed or floating rates of interest. They can be traded on the secondary market, enabling the holder to sell the CD to a third party to release cash before the maturity date.

CIPFA - the Chartered Institute of Public Finance and Accountancy. The institute is one of the leading professional accountancy bodies in the UK and the only one which specialises in the public sector. It is responsible for the education and training of professional accountants and for their regulation through the setting and monitoring of professional standards. Uniquely among the professional accountancy bodies in the UK, CIPFA has responsibility for setting accounting standards for a significant part of the economy, namely local government. CIPFA's members work, in public service bodies, in the national audit agencies and major accountancy firms.

Consumer Price Index (CPI) – measures changes in the price level of a market basket of consumer goods and services purchased by households.

Corporates – loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent.

Corporate bonds – corporate bonds are those issued by companies. Generally, however, the term is used to cover all bonds other than those issued by governments. The key difference between corporate bonds and government bonds is the risk of default.

Cost of Carry - costs incurred as a result of an investment position, for example the additional cost incurred when borrowing in advance of need, if investment returns don't match the interest payable on the debt.

Counterparty – the organisation the Council is investing with

Covered bonds – a bond backed by assets such as mortgage loans (covered mortgage bond). Covered bonds are backed by pools of mortgages that remain on the issuer's balance sheet, as opposed to mortgage-backed securities such as collateralised mortgage obligations (CMOs), where the assets are taken off the balance sheet.

Credit default swaps (CDS) – similar to an insurance policy against a credit default. Both the buyer and seller of a CDS are exposed to credit risk. The buyer effectively pays a premium against the risk of default.

Credit Rating – an assessment of the credit worthiness of an institution

Creditworthiness – a measure of the ability to meet debt obligations

Derivative investments – derivatives are securities whose value is derived from the some other time-varying quantity. Usually that other quantity is the price of some other asset such as bonds, stocks, currencies, or commodities.

Derivatives – financial instruments whose value, and price, are dependent on one or more underlying assets. Derivatives can be used to gain exposure to, or to help protect against, expected changes in the value of the underlying investments. Derivatives may be traded on a regulated exchange or traded ‘over the counter’.

Diversification / diversified exposure – the spreading of investments among different types of assets or between markets in order to reduce risk.

DMADF – Debt Management Account Deposit Facility operated by the DMO where users can place cash in secure fixed-term deposits. Deposits are guaranteed by the government and therefore have the equivalent of the sovereign credit rating.

DMO – debt management office. An Executive Agency of Her Majesty’s Treasury (HMT) with responsibilities including debt and cash management for the UK Government, lending to local authorities and managing certain public sector funds.

EIP Loans – Equal Instalments of Principal. A repayment method whereby a fixed amount of principal is repaid with interest being calculated on the principal outstanding

European Central Bank (ECB) – the central bank responsible for the monetary system of the European Union (EU) and the euro currency. Their responsibilities include to formulate monetary policy, conduct foreign exchange, hold currency reserves and authorise the issuance of bank notes.

Federal Reserve Bank (Fed) – the central bank of the US and the most powerful institution of the world.

Finance Lease - a finance lease is a lease that is primarily a method of raising finance to pay for assets, rather than a genuine rental. The latter is an operating lease. The key difference between a finance lease and an operating lease is whether the lessor (the legal owner who rents out the assets) or lessee (who uses the asset) takes on the risks of ownership of the leased assets. The classification of a lease (as an operating or finance lease) also affects how it is reported in the accounts.

Floating rate notes – floating rate notes (FRNs) are debt securities with payments that are reset periodically against a benchmark rate, such as the three month London inter-bank offer rate (LIBOR). FRNs can be used to balance risks incurred through other interest rate instruments in an investment portfolio.

FTSE – a company that specialises in index calculation. Co-owners are the London Stock Exchange and the Financial Times. The FTSE 100 is an index of blue chip stocks on the London Stock Exchange.

Gilts – long term fixed income debt security (bond) issued by the UK Government and traded on the London Stock Exchange

Government – loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail in, and there is an insignificant risk of insolvency.

Illiquid – cannot be easily converted into cash

Interest rate risk – the risk that unexpected movements in interest rates have an adverse impact on revenue due to higher interest paid or lower interest received.

Liability benchmark – the minimum amount of borrowing required to keep investments at a minimum liquidity level (which may be zero)

LIBID – London Interbank BID Rate – the interest rate at which London banks are willing to borrow from one another

LIBOR - London Interbank Offer Rate – the interest rate at which London banks offer one another. Fixed every day by the British Bankers Association to five decimal places.

Liquidity risk – the risk stemming from the inability to trade an investment (usually an asset) quickly enough to prevent or minimise a loss.

Market risk – the risk that the value of an investment will decrease due to movements in the market.

Mark to market accounting – values the asset at the price that could be obtained if the assets were sold (market price)

Maturity loans – a repayment method whereby interest is repaid throughout the period of the loan and the principal is repaid at the end of the loan period.

Minimum Revenue Provision (MRP) - the minimum amount which must be charged to an authority's revenue account each year and set aside towards repaying borrowing

Moody's - a credit rating agency. They provide international financial research on bonds issued by commercial and government entities. They rank the creditworthiness of borrowers using a standardised ratings scale which measures expected investor loss in the event of default. They rate debt securities in several markets related to public and commercial securities in the bond market.

Money Market - the market in which institutions borrow and lend

Money market funds – an open-end mutual fund which invests only in money markets. These funds invest in short-term debt obligations such as short-dated government debt, certificates of deposit and commercial paper. The main goal is the preservation of principal, accompanied by modest dividends. Risk is extremely low due to the high rating of the MMFs; many have achieved AAA credit status from the rating agencies. All MMF's are now Variable net asset value (VNAV) which refers to funds which use mark-to-market accounting to value some of their assets. The NAV of these funds will vary by a slight amount, due to the changing value of the assets and, in the case of an accumulating fund, by the amount of income received.

Money Market Rates – interest rates on money market investments

Monetary Policy Committee – the regulatory committee of the Central Bank that determine the size and rate of growth of the money supply, which in turn, affects interest rates.

Multilateral Investment banks – International financial institutions that provide financial and technical assistance for economic development

Municipal Bonds Agency – an independent body owned by the local government sector that seeks to raise money on the capital markets at regular interval to on-lend to participating local authorities.

Non Specified Investments - all types of investment not meeting the criteria for specified investments.

Operational Boundary – the most likely, prudent but not worst case scenario of external debt at any one time

Pooled Funds – investments are made with an organisation who pool together investments from other organisations and apply the same investment strategy to the portfolio. Pooled fund investments benefit from economies of scale, which allows for lower trading costs per pound, diversification and professional money management.

Project rate – the government has reduced by 40 basis points (0.40%) the interest rates on loans via the Public Works Loans Board (PWLB) for lending in respect of an infrastructure project nominated by a Local Enterprise Partnership (LEP).

Prudential Code – a governance procedure for the setting and revising of prudential indicators. Its aim is to ensure, within a clear framework, that the capital investment plans of the Council are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with good practice.

Prudential Indicators – indicators set out in the Prudential Code that calculates the financial impact and sets limits for treasury management activities and capital investment

Prudential Regulation Authority (PRA) – is responsible for the prudential regulation and supervision of around 1,700 banks, building societies, credit unions, insurers, and major investment firms. It sets standards and supervises financial institutions at the level of the individual firm.

PWLB (Public Works Loans Board) - a central government agency which provides long- and medium-term loans to local authorities at interest rates only slightly higher than those at which the Government itself can borrow. Local authorities are able to borrow to finance capital spending from this source.

Registered Providers (RPs) – also referred to as Housing Associations.

Repo - a repo is an agreement to make an investment and purchase a security (usually bonds, gilts, treasuries or other government or tradeable securities) tied to an agreement to sell it back later at a pre-determined date and price. Repos are secured investments and sit outside the bail-in regime.

Reserve Schemes – category of schemes within the General Fund capital programme that are funded from earmarked reserves, for example the Car Parks Maintenance reserve or Spectrum reserves.

SME (Small and Midsize Enterprises) – a business that maintains revenue or a number of employees below a certain standard.

Sovereign – the countries the Council are able to invest in

Specified Investments - Specified investments are defined as:

- a. denominated in pound sterling;
- b. due to be repaid within 12 months of arrangement;
- c. not defined as capital expenditure; and

- d. invested with one of:
 - i. the UK government;
 - ii. a UK local authority, parish council or community council, or
 - iii. a body or institution scheme of high credit quality

Stable Net Asset Value money market funds – the principle invested remains at its invested value and achieves a return on investment

Standard & Poors (S&P) – a credit rating agency who issues credit ratings for the debt of public and private companies, and other public borrowers. They issue both long and short term ratings.

Temporary borrowing – borrowing to cover peaks and troughs of cash flow, not to fund spending

Treasury Management – the management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risk associated with those activities and the pursuit of optimum performance with those risks.

Treasury Management Practices – schedule of treasury management functions and how those functions will be carried out

Voluntary Revenue Provision (VRP) – a voluntary amount charged to an authority's revenue account and set aside towards repaying borrowing.

Working capital – timing differences between income and expenditure (debtors and creditors)

Guildford Borough Council

Report to: Corporate Governance & Standards Committee

Date: 16 November 2023

Ward(s) affected: All Wards

Report of Director: Transformation & Governance

Author: Vicky Worsfold – Lead Specialist - Finance

Tel: 01483 444834

Email: victoria.worsfold@guildford.gov.uk

Lead Councillor responsible: Julia McShane/Richard Lucas

Tel: 01483 837736/07834 020422

Email: julia.mcshane@guildford.gov.uk/richard.lucas@guildford.gov.uk

Report Status: Open

Housing Revenue Account – Revenue Outturn Report 2022-23

1. Executive Summary

- 1.1 The Housing Revenue Account (HRA) is a separate ringfenced account that records all the income and expenditure associated with the provision and management of Council owned residential dwellings and other properties in the Borough. The requirement to maintain a Housing Revenue Account is set out in the Local Government and Housing Act 1989 and the requirements to publish final accounts is set out in the Accounts and Audit Regulations 2003.
- 1.2 This report includes the actual level of spending on services recorded in the HRA in 2022-23.
- 1.3 The surplus for the year was £3.12 million less than the budgeted surplus of £10.89 million (Section 7.5) at £7.76 million. The outturn allows a contribution of £2.5 million to the reserve for future capital

and a contribution of £5.26 million to the New Build reserve. The HRA working balance at year-end remains at £2.5 million.

- 1.4 The Chief Finance Officer, in consultation with the Leader of the Council and Lead Councillor for Finance and Property, has used their delegated authority to make the transfers to reserves. This continues the policy adopted in previous years, whereby the year-end surplus is applied to each of the above two reserves.
- 1.5 The HRA capital programme had budgeted expenditure of £53.9 million with £26.3 million. There was £24.5 million of major repairs estimated with an outturn of £20.3 million. £27.05 million was budgeted for new developments, where actual expenditure was £6 million due to delays in the progression of some of the new schemes.

2. Recommendation

The Committee is asked to comment on the following recommendation that will be included in the report on this matter to the Executive on 23 November 2023:

- 2.1 That the Executive notes the final outturn position and endorses the decision, taken under delegated authority, to transfer £2.5 million to the reserve for future capital, and £5.26 million to the new build reserve from the revenue surplus of £7.76 million in 2022-23

3. Reason for Recommendation:

- 3.1 To allow the Statutory Statement of Accounts to be finalised and subject to external audit prior to approval by the Council.

4. Exemption from publication

- 4.1. Not exempt.

5. Purpose of Report

- 5.1 This report sets out the final position on the Housing Revenue Account for 2022-23. It explains the major variances and reports how the available balance has been used.

6. Strategic Priorities

6.1 The Council is the largest social housing landlord in the borough, our activities contribute to each of the Council’s strategic priorities. The Council’s Corporate Plan 2021-2025 includes a key priority which is that residents will have access to the homes and jobs they need. This service contributes to meeting this priority.

7. Background

7.1 This report sets out the final position on the Housing Revenue Account (HRA) for 2022-23.

7.2 Officers have included the impact of the final position in the unaudited statutory statement of accounts, available on the Council’s website.

7.3 The operating surplus for the HRA account in 2022-23 is £7.89 million. Adjustments are then made for statutory reversals bringing the net surplus down to £7.76 million. The net surplus is represented by transfers to the Reserve for Future Capital and the New build Reserve.

7.4 The table below shows the main variances between the operating surplus for 2022-23 under the key headings.

	£000's
Budgeted HRA outturn (surplus) / deficit 2022/23	(10,884)
<i>Represented by the budgeted contribution to the Reserve for Future Capital and the New Build reserve [£2.5m + £8.3m]</i>	
Variance from budgeted position (major variances)	
Employee related [incl. write out of added years and pension strain costs]	1,006
Investment Income and Interest charge payable	1,306
Capital adjustments (depreciation, revaluation, REFCUS)	(905)
Premises (Repairs & maintenance, utilities, cleaning etc)	(2,866)
Supplies and Services and other variances	(892)
Rental Income	(998)
Below Line Adjustments	227
Total	(3,122)
Net (surplus)/deficit available to transfer to reserve in 2022/23	(7,761)
<i>Represented by the proposed contribution to the Reserve for Future Capital and the New Build reserve (£2.5m + £5.2m)</i>	

- 7.5 Officers propose to transfer this surplus to reserves as £2.5 million to the reserve for future capital, with the balance of £5.26 million transferred to the new build reserve.

Outturn Position and Major Variances

Revenue

- 7.6 Gross expenditure on services was 119% of, or £3.5 million over, the budgeted level, whilst income receivable totalled 97% of, or £1 million under the budgeted level. The reasons for this are set out in paragraphs 7.10 to 7.17 below and summarised in **Appendix 1**.
- 7.7 The net surplus for the HRA account in 2022-23 is £7.76 million, which is significantly better than would have been the case under the previous redistributive regime. This surplus, however, makes no provision for the repayment of debt principal; in line with the approach set out in the HRA business plan approved by the Executive.
- 7.8 The HRA would still have an operating surplus even if we had made provision to repay the debt over the 30-year plan period. To repay the debt over the 30-year plan period a sum in the region of £6.4 million would need to be set aside from the operating surplus each year, reducing the level of available capital to invest to a figure in the region of £3.8 million. This is an overly simplistic representation designed to highlight the underlying surplus. It ignores the impact of any premium and discounts arising on the early redemption of debt, and more significantly the impact inflation would have on the debt, which is fixed in cash terms and would erode in real terms as the result of inflation.
- 7.9 Rental income from dwellings was £1.0 million (3%) below the estimated (Appendix 1). The service has seen rent loss due to voids but rent collection levels on occupied property remains good.
- 7.10 Employee related expenditure was £1 million lower than estimated and includes the in-year benefit of writing out accrued added years and pension strain costs.

- 7.11 The Direction on the Rent Standard 2019 required the Regulator of Social Housing to set a rent standard for social housing which came into effect from 2020, which was CPI +1% from the preceding September rate.
- 7.12 However, it was announced as part of the Autumn Statement 2022 by the Government that rent increases would now be capped at 7%. As part of the budget setting process the Council rather than adopting the directed cap, adopted a 5% rent cap.
- 7.13 Expenditure on the responsive and planned maintenance service within the HRA was more than the budget by £2.1 million or 133% (Appendix 1). The budget provides for both planned and responsive repairs, so an element of demand driven cost is inherent in the expenditure. The service has seen expenditure on void properties increase in 2022-23.
- 7.14 Total investment in the stock, including both revenue and capital funded maintenance and improvement works was £34.8 million.
- 7.15 Rent arrears remain at consistent low levels, in contrast to the overall housing sector, which is experiencing an increase in the level of arrears. Although several welfare reform changes have now taken effect, migration delay in the roll out of universal credit has deferred any potential impact on arrears levels. It was felt the level of bad debt provision was adequate, so no additional contribution was made in 2022-23. The budgeted contribution for 2022-23 was £0.1 million. This approach equates to a provision coverage ratio of 75%.
- 7.16 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 recharge's apportionment across the Council now the Future Guildford programme has been implemented. This will be further reviewed as we progress through the collaboration.

Account	Budget	Actual	Variance
	£000's	£000's	£000's
Employee related	3,993	3,384	(608)
Premises related	6,067	8,933	2,866
Supplies and services	1,506	1,439	(66)
Support services	1,626	2,588	963
Transport related	64	60	(4)
Expenditure	13,255	16,405	3,150
Income (including recharges)	(35,000)	(34,001)	998
Net Expenditure/(Income)	(21,745)	(17,597)	4,148
Comparison to net cost of services in Appendix 1			
Depreciation	5,525	6,427	902
Transfer from reserve: REFCUS		118	118
Transfer from reserve: Revaluation	0	(649)	(649)
Transfer from reserve: Intangible assets	0	15	15
Sub Total	(16,220)	(11,686)	4,534
Comparison to budgeted reserve contribution variance			
Investment income	(54)	(1,107)	(1,053)
Interest payable	5,052	4,799	(253)
REFCUS - Revenue funded from capital	75	0	(75)
HRA share of CDC	263	111	(152)
Transfer from reserve: Revaluation	0	649	649
Transfer from reserve: Intangible assets	0	(15)	(15)
Transfer from reserve: Pension contribution	0	(398)	(398)
Transfer from reserve: Income from sale of assets	0	(118)	(118)
Revenue funded from capital (REFCUS – specific item)	0	3	3
Total	(10,884)	(7,762)	3,122

Appendix 1 sets out the position across the main service areas in detail.

7.17 Right to Buy (RTB) sales and one-for-one receipts: Under the Government's one-for-one homes replacement scheme, for this year

the Council can retain an element of the RTB capital receipt to invest in the provision of new dwellings (the amount retained in 2022-23 is shown in the table in paragraph 7.21 below).

- 7.18 A maximum of 40% of the overall cost of new home provision can be funded from the one-for-one receipts reserve. If the Council is unable to deliver new homes within the timeframe set by Government, the receipt must be returned with interest. As a result, the first source of funding for new homes provision will be the one-for-one receipt reserve, with the balance (60%) being funded from the new build reserve or the reserve for future capital.
- 7.19 Seventeen properties (with equity shares being 1.1) were sold under RTB in 2022-23. In relation to the number of properties held by the HRA. A continuation or acceleration in RTB sales, without the addition of new stock replacing RTB losses is a cause for concern. Over a sustained period, net stock losses will increase the fixed overhead costs attributable to each unit of stock. This would reduce our ability to generate operating surpluses to support our development programme.
- 7.21 A summary of RTB for 2022-23 is set out in the table below:

	£000's
Receipts in Year	3,932
Admin Costs	(25)
Gross receipts	3,908
Pooled in year	0
Net receipts before 141 repay	3,908
141 repaid to Govt	0
Total retained in 2022/23	3,908

Based on us selling 20 properties each year and budgeted spend of £18.2 million on provision of new housing by March 2025 we will not start having to repay 141 receipts until 2028-29.

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Reconciliation of Spend to RTB	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000	2028-29 £000	2029-30 £000
Value of receipts that will need surrendering if no further spend	0	0	0	0	2,871	3,328	3,279	2,782
HIP Expenditure required to avoid RTB repayments	0	0	0	0	0	8,321	8,198	6,955
Forecast HIP Expenditure from the Approved Capital programme	(0)	20,194	7,847	400	0	0	0	0
Cumulative Expenditure forecast	6,048	26,242	34,089	34,489	34,489	34,489	34,489	34,489
Forecast additional receipts that will be used (c x 40%)	0	8,078	3,139	160	0	0	0	0
Cumulative additional receipts that will be used ((cumulative)	(0)	8,078	11,216	11,376	8,506	5,178	1,898	1,898
Revised value of receipts that might need to be surrendered			0		0	0	0	0

Note - no repayment will be required in 2022-23 - based on 20 RTB sales and only including current expenditure -repayment will not be required in future years unless actual expenditure does not occur in line with forecast

7.22 HRA capital programme: the HRA approved capital programme had £52.9 million budget, with £24.5 million for major repairs, and £27 million for new dwellings, either by purchase or redevelopment. Actual spend was £26.3 million, £20.3 million on major repairs and £6 million on provision of new dwellings (£4.1 million purchases and £1.9 million mainly on the Guildford Park project). The provisional programme had £7.3 million budgeted on provision of new homes with £nil expenditure.

7.23 The council used £2.4 million of RTB 141 receipts towards the cost of the new dwellings, the rest of the capital expenditure being funded from reserves.

7.24 Reserves: The HRA holds several reserves each for a specific purpose. They allow the Council to fund peaks in future years' projected expenditure and will be a key funding source for the Council's development programme.

7.25 The table below shows the balance on each reserve at the start of 2022-23, along with the expenditure financed in year and the proposed transfers arising from the appropriation of the revenue surplus in 2022-23.

	Balance 01 April 2022	Transfer in 2022/23	Used in 2022/23	Balance 31 March 2023	Proposed transfer in 2022/23	Closing balance 31 March 2023
	£000's	£000's	£000's	£000's	£000's	£000's
Reserve for future capital works	40,829	0	(10,719)	30,110	2,500	32,610
New build reserve	63,788	0	(2,982)	60,806	5,261	66,067
Major Repairs Reserve (MRR)	9,588	0	(9,588)	0	6,427	6,427

Total Earmarked Reserves	114,205	0	(23,289)	90,916	14,188	105,104
Usable capital receipts (HRA Debt)	5,280	579	0	5,859	0	5,859
Usable capital receipts (1-4-1 receipts)	5,226	(2,372)	3,328	6,182	0	6,182
Usable capital receipts (housing and regeneration statutory) – Post 2013-14	50	645	(695)	(0)	0	(0)
Total Capital Receipts Reserves	10,556	(1,148)	2,633	12,041	0	12,041

- 7.26 **Use of operating surplus:** An operating balance of £2.5 million will be retained. This is a prudent approach and provides a degree of in-year flexibility.
- 7.27 The Council has clearly stated its ambition to increase the number of affordable homes in the borough and work is underway to bring forward several development opportunities. A combination of usable one-for-one receipts, and capital receipts have been used to finance capital expenditure on the new build programme.
- 7.28 With this in mind, officers are proposing that £5.26 million is transferred to the new build reserve.
- 7.29 It is critical that we properly maintain our asset base to secure future income streams. The major repairs reserve (MRR) is ring fenced for improvements to existing stock. Under the accounting code of practice, a charge equivalent to the annual depreciation charge is transferred into the Major Repairs Reserve which, for 2022-23, was £6.4 million.
- 7.30 If the level of depreciation charge exceeds the level of investment required in the existing stock, there will be an increased balance on the MRR, which could be used to repay debt. Any recommendation to repay debt would be considered in the context of an updated HRA business plan, as well as by treasury management considerations at that time each year.

7.31 As a result of changes in the legislative and regulatory framework particularly in connection with the housing stock and the health and safety of residents, the Council is reviewing the impact of these changes and it is expected that as result of these there will need to be a change to the current programme of work to reflect these issues. These will, however, be reported through the normal budgetary reporting framework.

8. Consultations

8.1. Officers have consulted the Leader of the Council and Lead Councillor for Finance and Property about the recommendations in this report.

9. Key Risks

9.1. The final accounts for 2022-23 have yet to be audited and may be subject to further change.

10. Financial Implications

10.1 The Local Government and Housing Act 1989 requires the Council to keep a HRA that records all revenue expenditure and income relating to the provision of council residential dwellings and related services as a separate ringfenced account. The use of this account is heavily prescribed by statute and the Council is not allowed to fund any expenditure for non-housing related services from this account.

10.2 Since April 2012, the HRA has operated independently of the previous national income redistributive system. The Council made a one-off payment to the Government of £194 million as part of the settlement, this was funded through a portfolio of loans from the Public Works Loan Board.

10.3 The HRA Business Plan seeks to maximise the advantages of the new financial environment and the associated flexibility it offers.

10.4 The business plan objectives are set out below:

- operate a sound, viable housing business in a professional and cost-effective manner.
- provide good quality homes in settled communities for as long as needed by tenants, consistent with our Tenancy Strategy

- increase the supply of affordable homes, including by direct provision where it is appropriate and viable to do so.
- continue to strengthen communities by making our estates places people value and want to live.
- value and promote tenant involvement in decision making.
- widen the range of housing options open to tenants, ensuring they can make informed choices.

10.5 The 2022-23 outturn being reported on reflected these objectives and priorities.

11. Legal Implications

11.1 The Accounts and Audit (England) Regulations 2015 state that the Council must prepare, in accordance with proper practices in relation to accounts, a statement of accounts for each year, which must include such of the following accounting statements as are relevant to the functions of the relevant body:

- Housing Revenue Account
- Collection Fund
- any other statements relating to every other fund in relation to which the body is required by any statutory provision to keep a separate account

11.2 The proper practice referred to above is the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (the Code)

11.3 The Code is based on International Financial Reporting Standards (IFRSs) and has been developed by the CIPFA/Local Authority Scotland Accounts Advisory Committee (LASAAC) Code Board under the oversight of the Financial Reporting Advisory Board (FRAB). It constitutes a proper accounting practice under the terms of section 21(2) of the Local Government Act 2003.

11.4 The unaudited Statement of Accounts are available on our website, and will be audited by our external auditors, Grant Thornton in due course. They will be presented to the Corporate Governance and Standards Committee for consideration and approval. Specifically, the role of the committee is to “review the annual statement of accounts with specific emphasis on whether appropriate accounting

policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.”

- 11.5 The Accounts and Audit (England) Regulations 2015 require the Chief Financial Officer to re-certify the accounts before approval and for the person presiding at the meeting (i.e., the chairman of Corporate Governance and Standards Committee) to sign and date them after approval. We must then publish the Statement of Accounts, together with any certificate, opinion or report issued by the external auditor.

12. Human Resource Implications

- 12.1 There are no human resource implications.

13. Equality and Diversity Implications

- 13.1 There are no direct equality and diversity implications because of this report.

14. Climate Change/Sustainability Implications

- 14.1 There are no direct climate/sustainability implications because of this report.

15. Summary of Options

- 15.1 As the treatment of the year-end balance has been decided under delegated authority, there are no options to consider.

16. Conclusion

- 16.1 The HRA delivered an operating surplus of £7.8 million. No provision for the repayment of debt principal is included in this figure.
- 16.2 The HRA is better placed under the new financial regime than it was under the old national redistributive system.
- 16.3 The outturn is broadly in line with the assumptions set out in the approved HRA Business Plan. The HRA can support the initial development programme outlined in the development strategy and has the capacity to support material contributions to both the new build reserve and the reserve for future capital programmes.

17. Background Papers

HRA Budget Report 2022-23 and HRA Business Plan
Accounts and Audit (England) Regulations 2015
Code of Practice on Local Authority Accounting
Accounts and Audit (Coronavirus) (Amendment) Regulations 2020

18. Appendices

Appendix 1: 2022-23 HRA
Appendix 2: HRA Capital Programme

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Housing Revenue Account 2022-23 - Outturn Report Account Summary

Agenda item number: 7

Appendix 1

2020-21	2021-22	Analysis	2022-23	2022-23	2022-23
Actual £000's	Actual £000's		Budget £000's	Actual £000's	Variance £000's
		Borough Housing Services			
727	574	Income Collection	661	456	205
1,158	1,440	Tenants Services	1,322	1,933	(612)
125	92	Tenant Participation	168	68	100
99	83	Garage Management	104	84	19
20	19	Elderly Persons Dwellings	48	66	(17)
354	208	Flats Communal Services	490	631	(141)
453	406	Environmental Works to Estates	455	441	14
6,001	5,674	Responsive & Planned Maintenance	6,304	8,405	(2,101)
107	146	SOCH & Equity Share Administration	167	58	109
9,045	8,642		9,718	12,142	(2,425)
		Strategic Housing Services			
460	677	Advice, Registers & Tenant Selection	746	620	126
188	164	Void Property Management & Lettings	245	157	88
(61)	5	Homelessness Hostels	5	0	5
167	187	Supported Housing Management	168	512	(344)
484	354	Strategic Support to the HRA	982	396	586
1,238	1,386		2,147	1,685	461
		Community Services			
829	873	Sheltered Housing	829	1,399	(570)
		Other Items			
5,686	5,865	Depreciation	5,525	6,427	(902)
(175)	(1,174)	Revaluation	0	(649)	649
96	163	Other capital items	0	133	(133)
217	227	Debt Management	150	165	(15)
6	1,017	Other Items	411	1,013	(602)
16,942	16,999	Total Expenditure	18,780	22,316	(3,536)
(32,296)	(32,908)	Income	(35,000)	(34,001)	(998)
(15,354)	(15,909)	Net Cost of Services (per inc & exp a/c)	(16,220)	(11,686)	(4,534)
285	298	HRA share of CDC	263	111	152
(15,069)	(15,611)	Net Cost of HRA Services	(15,957)	(11,575)	(4,382)
(12)	(106)	Investment Income	(54)	(1,107)	1,053
4,902	4,880	Interest Payable	5,052	4,799	253
(10,178)	(10,837)	(Surplus)/Deficit for Year on HRA Services	(10,959)	(7,883)	(3,076)
0	0	REFCUS - Revenue funded from capital	75	0	75
(473)	(511)	Tfr (fr) to Pensions Reserve	0	(398)	398
0	0	Tfr (from)/to CAA re: Voluntary Revenue Provision	0	0	0
143	1,148	Tfr (from)/to CAA re: Revaluation	0	649	(649)
(65)	(136)	Tfr (from)/to CAA re: REFCUS	0	(118)	118
0	0	Tfr (from)/to CAA re: Intangible assets	0	(15)	15
(16)	(3)	Tfr (from)/to CAA re: rev. inc. from sale of asset	0	3	(3)
(10,589)	(10,340)	HRA Balance before reserve transfers	(10,884)	(7,761)	(3,122)
2,500	2,500	Contrib to/(Use of) RFFC	2,500	2,500	0
8,089	7,840	Contrib to/(Use of) New Build Reserve	8,384	5,261	3,122
0	0	HRA Balance	0	0	(0)
(2,500)	(2,500)	Balance Brought Forward	(2,500)	(2,500)	0
(2,500)	(2,500)	Balance Carried Forward	(2,500)	(2,500)	(0)

2020-21	2021-22	Analysis	2022-23	2023-24	2023-24
Actual £000's	Actual £000's		Budget £000's	Actual £000's	Variance £000's
		Borough Housing Services			
(30,507)	(30,507)	Rent Income - Dwellings	(31,608)	(31,101)	(507)
(212)	(68)	Rent Income - Rosebery Hsg Assoc	(69)	177	(246)
(323)	(466)	Rents - Shops, Buildings etc	(474)	(331)	(143)
(786)	(746)	Rents - Garages	(759)	(699)	(60)
(31,828)	(31,786)	Total Rent Income	(32,909)	(31,953)	(956)
(144)	(207)	Supporting People Grant	(210)	(177)	(33)
(1,136)	(1,128)	Service Charges	(1,148)	(1,118)	(30)
(29)	0	Legal Fees Recovered	0	(12)	12
(59)	(258)	Service Charges Recovered	(263)	(316)	54
(537)	(461)	Miscellaneous Income	(469)	(424)	(45)
(33,733)	(33,841)	Total Income	(35,000)	(34,001)	(998)

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GUILDFORD B.C. - HOUSING INVESTMENT PROGRAMME 2022-23 to 2027-28: HRA APPROVED PROGRAMME

	Project Budget £000	2021-22 Actual £000	Project Spend at 31-03-22 £000	2022-23 Estimate £000	Carry Forward	2022-23 Revised Estimate £000	Expenditure as at 07.03.23 £000	2022-23 Projected Outturn £000	2023-24 Estimate £000	2024-25 Estimate £000	2025-26 Estimate £000	2026-27 Estimate £000	2027-28 Estimate £000	Total Project Exp £000
Acquisition of Land & Buildings	22,900	6,804	14,218	4,800	(118)	4,682	4,165	4,165	4,524	0	0	0	0	22,906
New Build														
Guildford Park	75	0	75	0	0	0	0	0	0	0	0	0	0	75
Guildford Park (from GF)	6,500	378	3,526	1,100	608	1,708	1,766	1,766	1,209	0	0	0	0	6,500
Bright Hill	500	17	17	463	20	483	50	50	433	0	0	0	0	500
Foxburrows Redevelopment	10,657			9,591	0	9,591	0	0	9,591	1,066				10,657
Shawfield Redevelopment	300		4	296	0	296	0	0	296					300
Various small sites & feasibility/Site preparation	1,000		0	0	0	0	0	0	0	1,000	0	0	0	1,000
Pipeline projects:	9,425		115	0	100	100	0	0	3,741	5,381	0	0	0	9,425
Manor House Flats		42	42	1,530		1,530	20	20						
Banders Rise		1	1	130		130	5	5						
Station Road East		2	2	112		112	4	4						
Dunmore Garden Land		1	1	159		159	5	5						
Clover Road Garages		46	46	1,032		1,032	11	11						
Rapleys Field		18	18	415		415	11	11						
Georgelands 108		1	1	118		118	4	4						
27 Broomfield		4	4	109		109	5	5						
17 Wharf Lane		4	4	104		104	4	4						
Development Projects	7,100			7,100		7,100	0	0	7,100					7,100
Schemes to promote Home-Ownership														
Equity Share Re-purchases	annual	458	annual	400	0	400	0	0	400	400	400	0	0	annual
Major Repairs & Improvements				24,500	0	24,500	0	0	20,600					
Retentions & minor carry forwards	annual	0	annual				0	0						annual
Modern Homes - Kitchens, Bathrooms & Void refurb	annual	971	annual				6,602	6,602						annual
Doors and Windows	annual	241	annual				908	908						annual
Structural/Roof	annual	307	annual				1,056	1,056						annual
Energy efficiency: Central heating/Lighting	annual	1,262	annual				1,948	1,948						annual
General	annual	880	annual				9,794	9,794						annual
ICT - Housing Management System	1,900			950		950	0	0	950	950				1,900
Grants														
Cash Incentive Scheme	annual	0	annual	0	0	0	0	0						annual
TOTAL APPROVED SCHEMES	60,357	11,438	18,074	52,909	610	53,519	26,355	26,355	48,844	8,797	400	0	0	60,363

GUILDFORD B.C. - HOUSING INVESTMENT PROGRAMME 2022-23 to 2027-28: HRA PROVISIONAL PROGRAMME

Project Budget	2021-22 Actual	Project Spend at 31-03-22	2022-23 Estimate	Carry Forward	2022-23 Revised Estimate	2022-23 Projected Outturn	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate	Total Project Exp
£000	£000	£000	£000		£000	£000	£000	£000	£000	£000	£000	£000
New Build												
Guildford Park	16,000	0	1,225	26	0	26	0	0	14,775	0	0	16,000
Guildford Park (from GF)	23,125	0	0	0	0	0	1,173	13,749	8,203	0	0	23,125
Bright Hill	3,000	0	0	3,000	0	3,000	3,000	0	0	0	0	3,000
Bright Hill Development (from GF)	13,500	0	0	680	0	680	5,680	7,000	820	0	0	13,500
Slyfield (25/26 £5m; 26/27 £44m)	50,000	0	0	1,000	0	1,000	0	0	5,000	44,000	0	49,000
Shawfield Redevelopment	3,000	0	0	2,500	0	2,500	500	0	0	0	0	500
Major Repairs & Improvements												
Major Repairs & Improvements	annual		annual	0	0	0		5,500	5,500	5,500	5,500	annual
Retentions & minor carry forwards	annual		annual									annual
Modern Homes: Kitchens and bathrooms	annual		annual									annual
Doors and Windows	annual		annual									annual
Structural	annual		annual									annual
Energy efficiency: Central heating	annual		annual									annual
General	annual		annual									annual
Grants												
Cash Incentive Scheme	annual		annual	75		75	75	75	75	75	75	annual
Total Expenditure to be financed	108,625	0	1,225	7,281	0	7,281	10,428	26,324	34,373	49,575	5,575	105,125

GUILDFORD B.C. - HOUSING INVESTMENT PROGRAMME 2022-23 to 2027-28: HRA RESOURCES AND FUNDING STATEMENT

	2021-22 Actual	2022-23 Estimate	2022-23 Projected Outturn	2023-24 Estimate	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate
	£000	£000	£000	£000	£000	£000	£000	£000
EXPENDITURE								
Approved programme	15,739	52,909	26,355	48,844	8,797	400	0	0
Provisional programme	0	7,281	0	10,428	26,324	34,373	49,575	5,575
Total Expenditure	15,739	60,190	26,355	59,272	35,121	34,773	49,575	5,575
FINANCING OF PROGRAMME								
Capital Receipts	752	400	400	400	400	400	0	0
1-4-1 receipts	2,980	8,140	2,419	8,898	3,030	3,121	3,213	0
Contribution from Housing Revenue a/c (re cash incentives)	0	75	0	75	75	75	75	75
Future Capital Programme reserve	0	11,547	4,794	21,101	8,248	8,398	14,387	0
Major Repairs Reserve	8,153	13,903	15,113	6,450	5,500	5,500	5,500	5,500
New Build Reserve	3,824	26,125	3,629	22,348	16,918	17,279	26,400	0
Grants and Contributions	30	0	0	0	0	0	0	0
Total Financing (= Total Expenditure)	15,739	60,190	26,355	59,272	34,171	34,773	49,575	5,575
RESERVES - BALANCES								
Reserve for Future Capital Programme (U0103!Ju								
Balance b/f	38,329	40,829	40,829	38,535	19,934	14,186	8,288	-3,599
Contribution in year	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Used in year	0	-11,547	-4,794	-21,101	-8,248	-8,398	-14,387	
Balance c/f	40,829	31,782	38,535	19,934	14,186	8,288	-3,599	-1,099
Major Repairs Reserve (U01036)								
Balance b/f	11,876	8,378	9,588	0	-925	-925	-925	-925
Contribution in year	5,865	5,525	5,525	5,525	5,500	5,500	5,500	5,500
Used in Year	-8,153	-13,903	-15,113	-6,450	-5,500	-5,500	-5,500	-5,500
Balance c/f	9,588	0	0	-925	-925	-925	-925	-925
New Build Reserve (U01069)								
Balance b/f	59,383	62,477	63,398	66,843	52,878	44,511	35,954	18,450
Contribution in year	7,839	8,383	7,074	8,383	8,551	8,722	8,896	9,074
Used in Year	-3,824	-26,125	-3,629	-22,348	-16,918	-17,279	-26,400	0
Balance c/f	63,398	44,735	66,843	52,878	44,511	35,954	18,450	27,524

Usable Capital Receipts: 1-4-1 receipts (T01011)

Balance b/f	4,526	5,412	5,226	6,018	-3	49	102	157
Contribution in year	3,680	2,728	3,211	2,876	3,083	3,174	3,268	3,334
Repayment in year	0	0	0	0	0	0	0	0
Used in Year	-2,980	-8,140	-2,419	-8,898	-3,030	-3,121	-3,213	
Balance c/f	5,226	0	6,018	-3	49	102	157	3,491

Note: a contribution to this reserve is dependent on the number of RTB sales in the year determined in the HRA self financing model. There are many variables to the calculation of the 1:4:1 contribution. As an estimate, I have used a model provided by Sector which is based on our assumption of RTB sales

Usable Capital Receipts - HRA Debt Repayment (T01010)

Balance b/f	4,262	4,308	5,280	6,123	6,845	7,629	8,439	9,274
Contribution in year	1,017	661	843	722	784	810	836	862
Used in Year	0	0	0	0	0	0	0	0
Balance c/f	5,280	4,969	6,123	6,845	7,629	8,439	9,274	10,137

Note: each RTB sale generates a contribution to this reserve toward debt repayment determined in the HRA self financing model. A small number of sales are anticipated each year.

Usable Capital Receipts - pre 2013-14 (T01008)

Balance b/f	0	0	0	0	0	0	0	0
Contribution in year	0	0	0	0	0	0	0	0
Used in Year (HRA = above)	0	0	0	0	0	0	0	0
Used in Year (GF Housing Co)	0	0	0	0	0	0	0	0
Used in Year (GF Housing - DFG)	0	0	0	0	0	0	0	0
Balance c/f	0	0	0	0	0	0	0	0

Note: Can only be used for HRA capital expenditure, affordable housing and regeneration schemes as set by GBC policy

Usable Capital Receipts - post 2013-14 (T01012)

Balance b/f	0	0	50	348	360	371	383	395
Contribution in year	802	289	298	301	304	307	310	313
Used in Year (HRA = above)	-752	-69	0	-189	-72	-75	-78	-78
Used in Year (GF Housing)	0	-220	0	-100	-220	-220	-220	-220
Balance c/f	50	0	348	360	371	383	395	410

Note: Can only be used for HRA capital expenditure, affordable housing and regeneration schemes as set by the Government

Guildford Borough Council

Report to: Corporate Governance & Standards Committee

Date: 16 November 2023

Ward(s) affected: All Wards

Report of Director: Transformation & Governance

Author: Vicky Worsfold

Tel: 01483 444834

Email: Victoria.worsfold@guildford.gov.uk

Lead Councillor responsible: Richard Lucas

Tel: 07834 020422

Email: Richard.lucas@guildford.gov.uk

Report Status: Open

General Fund Revenue Outturn Report 2022-23

1. Executive Summary

General Fund revenue account

- 1.1 Overall, the outturn for 2022-23 on the General Fund was £6.49 million more than originally budgeted, which will be financed from the Medium-Term Financial Plan reserve. The Chief Financial Officer, in consultation with the Leader of the Council and the Lead Councillor for Finance and Property, has delegated authority to deal with the overspend and transfer the necessary resources from the reserve set out above.
- 1.2 The general fund summary is set out at Appendix 1 and the report sets out the major reasons for the variance.

- 1.3 Our net income from interest receipts is £915,000 more than estimated and the minimum revenue provision (MRP) for debt repayment is £5,000 higher than estimated.
- 1.4 During the accounts closure process, a number of adjustments were made following a review of the balance sheet, these are detailed in paragraph 7.11 below.

Earmarked Reserves

- 1.5 Historically the Council held many reserves for specific purposes. For 2022-23 all reserves that were held for internal policy reasons have been merged into the Medium-Term Financial Plan Reserve. There are still some specific reserves, but these have been kept to a minimum.

Collection Fund

- 1.6 The business rates balance on the collection fund is particularly susceptible to movements in the number and values of appeals businesses have made against their rateable values. We have no control over these appeals and have limited information from the Valuation Office to help us assess the potential impact.
- 1.7 The Collection Fund revenue account for the year is set out in Appendix 2. There is an overall deficit on the Collection Fund of £1.735 million. The Council's share of the deficit is £0.694 million which will be recovered from the general fund in 2023-24.
- 1.8 The outturn position will be included in the Statement of Accounts which will be signed by the Chief Financial Officer and subsequently be audited by Grant Thornton. This Committee will review the audited statement of accounts.

2. Recommendation

The Committee is asked to comment on the following recommendation that will be included in the report on this matter to the Executive on 23 November 2023:

- 2.1 That the Executive notes the final outturn position and endorses the decisions taken under delegated authority to transfer the amounts set out above from the Medium-Term Financial Plan reserve.

3. Reasons for Recommendation:

- 3.1 To note the final outturn position and delegated decisions taken by the Chief Financial Officer which will be included in the statutory accounts.
- 3.2 To facilitate the ongoing financial management of the Council.

4. Exemption from publication

- 4.1 No.

5. Purpose of Report

- 5.1 This report gives the final position on the General Fund revenue account and Collection Fund for the 2022-23 financial year, and explains the major variances from the General Fund revised estimate and the adjustments made in the accounts as a result of the balance sheet review.
- 5.2 The outturn position on the General Fund Capital Programme and the Housing Revenue Account has been included in separate reports within the agenda papers.

6. Strategic Priorities

- 6.1 Good financial management underpins the achievement of the council's strategic framework.

7. Background

- 7.1 This report sets out the final position on two revenue accounts - the General Fund Revenue Account and Collection Fund. The impact of the final position has been reported in the unaudited statutory statement of accounts available on our website.

General Fund Revenue Account

- 7.2 The overall variance on the General Fund is net expenditure £6.49 million greater than budget. The table below summarises the overall position on

the General Fund. The figures exclude various accounting adjustment items such as capital charges, International Accounting Standard 19 (IAS 19) adjustments relating to Pension Funds, and other items that do not have any effect on the Council's net budget. The service unit figures include budgeted and actual contributions to service-related earmarked reserves where appropriate. A summary is set out below, and a detailed subjective summary by directorate is shown in Appendix 3.

- 7.3 This arises from four main areas: the Directorates, net external interest received, Business Rates and Government grants.

	Revised Estimate	Actual	Variance to rev est
	2022-23	2022-23	2022-23
	£000	£000	£000
Directorate Level Expenditure (excluding depreciation, capital charges and statutory adjustments. Major variances by directorate are explained in Appendix 2)	9,127	22,171	13,044
Transfers to reserves (included in Directorate expenditure)	2,133	(1,060)	(3,193)
Directorate Level Expenditure (excluding depreciation, capital charges and reserve transfers)	11,260	21,111	9,851
Net interest receivable	(497)	(1,412)	(915)
Minimum Revenue Provision	1,545	1,550	5
Business rates retention scheme - net position after transfer to business rates equalisation reserve	(710)	(2,635)	(1,925)
New Homes Bonus	0	(717)	(717)
Transition grant and s31 council tax grant	(574)	(383)	191
Collection Fund Council Tax (surplus) / Deficit	(125)	(125)	0
TOTAL net budget (excl parish precepts)	10,899	17,389	6,490

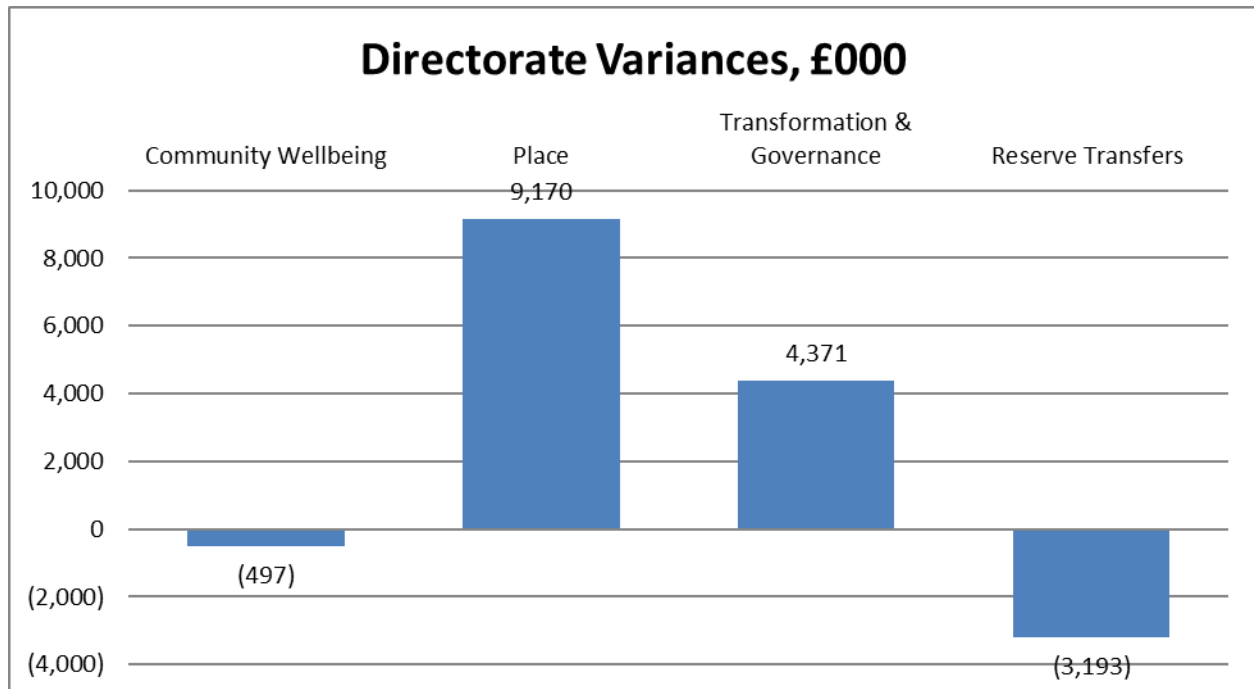
Directorates

- 7.4 Services excluding capital charges are overspent by £13 million. Pension adjustment (IAS19) shows as expenditure in services and reversed out in reserves. Without the pension charge, services would be £8 million over budget.
- 7.5 By account or spend type, the variances are: Staffing expenditure on consultants, agency, casual staff and overtime contributed £5.2 million to the overspend. This is broken down in the table below. These areas were highlighted to members of the Corporate Governance and Standards

Committee when reporting on the January 2023 position and have worsened since.

	Revised Budget (£)	Final Outturn (£)	Variance (£)
Consultancy	494,338	3,137,052	2,642,714
Agency Staff	961,180	2,863,978	1,902,798
Casual Staffing	222,788	507,263	284,475
Overtime	581,624	942,356	360,732
Totals	2,259,930	7,450,649	5,190,719

- 7.6 As explained to the Corporate Governance and Scrutiny Committee at its meeting on 15 March 2023, several services have been operating on more than their budgeted staffing capacity during the year. The majority of these overspends are due to ongoing capacity challenges not addressed in the Future Guildford programme (or consequential of the implementation) and should have been addressed either within existing budget or through the Scheme of Virement and Supplementary Estimates within the Financial Procedure Rules prior to being incurred. The use of agency and consultancy staff is appropriate where there is a need for short term capacity or one-off use of specialist skills. Unavoidable cost pressures have been included in the 2023-24 budget.
- 7.7 The impact of inflationary increases has impacted the Council especially the increased costs of utilities, this was £2.65 million (41%) greater than originally budgeted for. Much of this pressure came from our Leisure Services where spending was £1.66 million greater than budgeted for.
- 7.8 The differences in each directorate as show in the chart below.



7.9 The £4.7 million write back to the General Fund (para 7.11) is shown in the directorates over spend in this table, as they are a cost to services. This with the £5.19 million above identifies £9.9 million of the directorate over spend position.

7.10 The overspend in directorates is offset by a net increase from reserves of £3.19 million giving a total over spend of £9.8 million.

Changes during year end as result of balance sheet review

7.11 As a result of a comprehensive balance sheet review during the 2022-23 closing process, there were a number of changes which resulted in a £4.7 million impact on the General Fund. The key items were:

Item	Amount	Comment
North Downs Housing accrued interest bad debt provision	£2.85 million	Interest was rolled up for the first 5 years to the loan, given the uncertainty in the company, it was felt prudent to include a bad debt provision for the interest

Item	Amount	Comment
Bad debt for caravan sites	£500,000	Bad debt revised based on arrears in the system
Creditor balance being held on balance sheet from new system implementation in error	£1 million	Should have been cleared in previous years.
BEIS Government grants to be removed	£980,000	Relates to previous years treatment of grants
Treasury management adjustment to balance sheet	£90,000	Error in calculation on maturity of investment in previous years
Adjustment to level of HB debt in bad debt provision	(£390,000)	Provision calculation included duplicated debts
Provision for holiday pay	(£243,000)	Double count as also in unusable reserves
Other smaller adjustments	(£87,000)	Favourable to the General Fund

7.12 The CFO has proposed to use the Medium-Term Financial Plan reserve to balance the general fund.

Net external interest

7.13 The weighted average interest rate achieved on our investment portfolio was 1.62% against a budget of 1.69%. We had higher balances than we estimated when we set the budget and therefore interest received (after paying interest on external loans) was £622,000 higher. The higher

balances come from having more cash than estimated at the start of the year due to slippage in the 2021-22 capital programme.

- 7.14 The General Fund pays interest to the Housing Revenue account (HRA) on its balances. The 2022-23 interest to the HRA was £1.9 million higher than budgeted, due to the increase in interest rates. Overall, net interest received by the General Fund was £914,890 more than estimated.
- 7.15 The Council has been capitalising debt interest on loans taken out for the WUV project to the project. As part of the financial recovery plan, a review with the intention to apply interest to all non BAU capital schemes has taken place and will be discussed with the auditors with the view to applying the change to 2022-23.

Minimum Revenue Provision (MRP)

- 7.16 MRP is a charge to the revenue account for unfinanced capital expenditure. The 2022-23 budget was based on the estimated capital-financing requirement (CFR) at the end of the previous year (31 March 2022) of £245 million with MRP at £1.545 million. The actual General Fund CFR at 31 March 2022 was £157 million, which generated a minimum revenue provision of £1.55 million. The difference between the two CFR figures was, in the main, the WUV project, where we are not currently charging MRP.

Business Rates

- 7.17 The business rates retention position was balanced back to the Settlement Funding Assessment (SFA) by way of the following two key adjustments. The Council received £4.8 million less in s31 grant, but instead of paying a levy to the Government of £2 million, we went into safety net of £2.27 million, almost offsetting the discount.

<u>Business Rates Retention Summary [zero impact]</u>	Revised Budget	2022-23	2022-23
		Actual	Variance
			£0

BRRS – tariff	31,844	31,844	0
Business Rates levy payment to MHCLG	2,028	(2,544)	4,572
BRRS - equalisation reserve transfer	(9,391)	(9,598)	207
	24,481	19,702	4,779
BRates Collection fund deficit	8,270	8,270	0
BRRS - s31 grant	(8,171)	(3,077)	(5,095)
BRRS - retained income	(27,508)	(27,508)	0
BRRS - net position	(2,928)	(2,612)	(316)

Government grants

7.18 We had budgeted £573,871 of government grant and received £382,998 - £14,760 new burdens grant, £202,351 one off revenue support grant and £165,887 Covid 19 funding.

Earmarked reserves

7.19 The majority of transfers to and from reserves are opposite accounting entries to either Revenue Contributions to Capital Outlay (RCCO) or items within the service accounts (and therefore do not affect the overall position). The transfers that are not service related and affect the total net expenditure that were included in the 2022-23 budget are:

- New Homes Bonus (NHB) reserve; £766,000 received in year, which was spent on £687,000 Shaping Guildford's Future feasibility costs, and £30,000 towards crowdfunding.

7.20 It was decided to review the Council's earmarked reserves and merge all that were not due to be held for a specific purpose into a new reserve called the Medium-Term Financial Plan Reserve.

7.21 A summary of the reserves can be seen in the following table:

	Balance at 31 March 2023
	£000
General Fund Reserves	
MTFP	-4,277,712
Carried Forward Items	-870,238
ICT Renewals	-1,894,367
Insurance	-500,000
Spectrum	-773,352
Car Parks Maintenance	-2,330,540
Business Rates equalisation	-2,930,539
Special Protection Areas (SPA) sites	-13,588,745
BR Covid ongoing	-330,462
Other reserves	-1,361,017
TOTAL	-28,856,972

7.22 All reserves other than the MTFP reserve are earmarked for specific purposes.

Collection Fund

7.23 Appendix 2 shows the final figures for the Collection Fund. Council tax and non-domestic rates are shown separately.

7.24 The overall balance carried forward on the Collection Fund Revenue Account, is a deficit of £1.735 million. In relation to business rates the

deficit is shared between the relevant major preceptors and Central Government as part of setting the 2023-24 budget.

Business rates

- 7.25 The overall deficit on the Business Rates element of the Collection Fund has reduced by £23 million (surplus in year) to £1.5 million at 31 March 2023. This deficit, adjusted for any difference between estimate and projected outturn in 2022-23, will feed into the General Fund, as a cost, in 2023-24. The use of the Business Rates Equalisation reserve enables us to manage the impact of these in-year movements, as shown in the table above.

Council tax

- 7.26 The deficit on the Council Tax element of the Collection Fund for the year was £2.2 million, offsetting the brought forward surplus, resulting in a small deficit overall of £213,000 at 31 March 2023.

8. Consultations

- 8.1. Officers have consulted the Lead Councillor for Finance and Property about the recommendations in this report.

9. Key Risks

- 9.1. The final accounts for 2022-23 have yet to be audited and may be subject to further change.

10. Financial Implications

- 10.1. Financial implications have been included in the relevant paragraphs of this report.

11. Legal Implications

- 11.1. The Accounts and Audit (England) Regulations 2015 state that the Council must prepare, in accordance with proper practices in relation to accounts, a statement of accounts each year, which must include such of the

following accounting statements as are relevant to the functions of the relevant body:

- Housing Revenue Account
 - Collection Fund
 - Any other statements relating to each and every other fund in relation to which the body is required by any statutory provision to keep a separate account.
- 11.2. The proper practice referred to above is the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (the Code).
- 11.3. The Code is based on International Financial Reporting Standards (IFRSs) and has been developed by the CIPFA/Local Authority Scotland Accounts Advisory Committee (LASAAC) Code Board under the oversight of the Financial Reporting Advisory Board (FRAB). It constitutes a proper accounting practice under the terms of section 21(2) of the Local Government Act 2003.
- 11.4. The unaudited accounts are available on the website. Our external auditors, Grant Thornton will then audit the accounts before they are presented to the Corporate Governance and Standards Committee for consideration and approval when the audit has been completed. Specifically, the role of the committee is to “review the annual statement of accounts with specific emphasis on whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council”.
- 11.5. The Accounts and Audit (England) Regulations 2015 require the Chief Financial Officer to re-certify the accounts before approval and for the person presiding at the meeting (i.e., the chairman of Corporate Governance and Standards Committee) to sign and date them after approval. We must then publish the Statement of Accounts, together with any certificate, opinion or report issued by the external auditor.

12. Human Resource Implications

12.1. There are no human resources implications.

13. Equality and Diversity Implications

13.1. There are no direct equality and diversity implications because of this report.

14. Climate Change/Sustainability Implications

14.1. There are no direct climate/sustainability implications as a result if this report.

15. Summary of Options

15.1. As the treatment of the year-end balance has been decided under delegated authority, there are no options to consider.

16. Conclusion

16.1. 2022-23 has been a challenging year influenced heavily by external factors. This has resulted in a significant overspend which will resolved by using funds from the Medium-Term Financial Plan reserve.

17. Background Papers

17.1. General Fund Budget 2022-23 and Medium-Term Financial Plan 2023-24 to 2025-26

18. Appendices

Appendix 1 – General Fund Summary

Appendix 2 – Collection Fund

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GENERAL FUND SUMMARY 2022 - 2023

Unaudited Actual 2021-22 £	GENERAL FUND SUMMARY	Original Estimate 2022-23 £	Latest Estimate 2022-23 £	Projected Outturn 2022-23 £
	0 Community Wellbeing	-	16,226,837	16,175,185
	0 Place	-	(2,953,960)	14,353,479
	0 Transformation and Governance	-	4,644,395	14,814,476
(1,019,409)	Strategy Directorate	1,207,529	0	0
25,036,759	Services Directorate	13,416,241	0	0
4,867,173	Resources Directorate	3,973,104	0	0
28,884,523	Total Directorate Level	18,596,874	17,917,272	45,343,140
	Growth to be allocated to services	896,637	0	0
	Savings to be allocated to services	(1,576,241)	0	0
(8,445,497)	Depreciation & capital charges (contra to Service Unit Budgets)	(8,790,570)	(8,790,570)	(23,172,363)
	Annual leave accrual	0	0	245,844
(7,214,174)	Pensions reserve (Statutory)	0	0	(5,263,186)
13,224,852	Directorate Level excluding depreciation	9,126,700	9,126,702	17,153,434
(1,638,048)	External interest receivable (net)	(551,090)	(551,090)	(2,518,979)
105,900	Interest payable to Housing Revenue Account	53,930	53,930	1,106,929
1,380,501	Minimum Revenue Provision	1,545,213	1,545,213	1,550,272
(2,477,024)	Fund mvt in fair value	0	0	2,035,151
1,078,101	Statutory override	0	0	(1,847,951)
(15,252)	Revenue income from sale of assets	0	0	(7,948)
	Revenue Contributions to Capital Outlay (RCCO)			
	Met from: Capital Schemes reserve	0	0	0
1,608,695	Other reserves	1,008,000	1,008,000	2,408,915
0	General Fund	0	0	0
13,267,725	Total before transfers to and from reserves	11,182,753	11,182,755	19,879,823
	Transfers to and from reserves			
	Capital Schemes reserve			
0	Funding of Revenue Contribution to Capital Outlay Contribution in year	0	0	0
0	Budget Pressures reserve	0	0	0
4,422	Business Rates Equalisation reserve	(7,412,230)	(7,412,230)	(9,619,229)
(585,103)	Car Park Maintenance reserve	(333,000)	(333,000)	(650,735)
61,268	Election Costs reserve	62,500	62,500	47,690
17,010	Insurance reserve	0	0	(48,000)
860,144	IT Renewals reserve	543,000	543,000	490,254
(1,612,329)	Invest to Save reserve	433,086	433,086	(127,345)
(725,712)	New Homes Bonus reserve	766,155	766,155	49,000
24,567	Energy Management reserve	0	0	(197,637)
(1,874)	On Street Parking reserve	0	0	239,149
0	Recycling reserve	0	0	0
(78,490)	Spectrum reserve	196,472	196,472	(1,160,018)
0	Carry Forward Items	0	0	318,510
(10,278,048)	Covid reserve	0	0	0
2,087,070	Other reserves	222,700	222,700	2,457,254
3,040,649	Total after transfers to and (from) reserves	5,661,435	5,661,438	11,678,714
	Business Rates Retention Scheme payments			
31,843,510	Business Rates tariff payment	31,843,510	31,843,510	31,843,510
341,438	Business Rates levy payment to MHCLG	2,027,678	2,027,678	183,000
0	Business Rates Safety net from MHCLG	0	0	(2,727,254)
	Non specific government grants			
(19,131,050)	s31 grant re BRR scheme	(7,930,751)	(7,930,751)	(3,076,563)
0	SFA multiplier compensation	(240,621)	(240,621)	0
8,861,357	s31 grant re council tax	0	0	0
0	New Burdens grant	0	0	(14,760)
0	RSG	0	0	(202,351)
(654,561)	COVID Funding	0	0	(165,887)
(245,505)	Other government grant	(333,250)	(333,250)	0
(192,251)	New Homes Bonus grant	(766,155)	(766,155)	(766,155)
23,863,587	GUILDFORD BOROUGH COUNCIL NET BUDGET	30,261,846	30,261,849	36,752,255
1,935,225	Parish Council Precepts	2,029,250	2,029,250	2,029,250
25,798,812	TOTAL NET BUDGET	32,291,096	32,291,099	38,781,505
(33,737,000)	Business Rates - retained income	(27,507,851)	(27,507,851)	(27,507,851)
20,120,077	Collection Fund Deficit - Business Rates	8,269,772	8,269,772	8,269,772
(30,274)	Collection Fund Surplus - Council Tax	(125,455)	(125,455)	(125,455)
12,151,615	COUNCIL TAX REQUIREMENT	12,927,562	12,927,565	19,417,971
	Projected (under)/over spend			6,490,406

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Collection Fund 2022-23

Revenue Account

2021-22 £000	2021-22 £000		2022-23 £000	2022-23 £000
Council Tax	Business Rates		Council Tax	Business Rates
INCOME				
	66,844	Income from Business Ratepayers - Note 2		75,909
120,375		Council Taxes	127,555	
34		Transfer for Transitional Relief, S13A(1)(C) Reliefs	47	
		Distribution of prior year estimated deficit:		
	25,150	Central Government		10,337
-	5,030	Surrey County Council	-	2,067
-		Surrey Police & Crime Commissioner	-	
-	20,120	Guildford Borough Council	-	8,270
120,409	117,144	Total Income	127,602	96,583
EXPENDITURE				
Precepts				
88,544		Surrey County Council	94,877	
16,323		Surrey Police and Crime Commissioner	17,242	
12,328		Guildford Borough Council	12,928	
Payment of Business Rates shares:				
	42,159	Central Government		34,385
	8,431	Surrey County Council		6,877
	33,727	Guildford Borough Council		27,508
	625	Transitional Protection payments		1,386
	222	Charge to General Fund for collecting NDR		220
-	957	Provision for council tax bad debts	-	887
	800	Provision for business rates bad debts		400
-	4,201	Provision for business rates appeals		2,768
Distribution of prior year estimated surplus:				
		Central Government		
		Surrey County Council	904	
		Surrey Police and Crime Commissioner	164	
		Guildford Borough Council	125	
116,238	81,763	Total Expenditure	125,353	73,544
COLLECTION FUND BALANCE				
2,135	59,942	Balance at the beginning of the year	-	2,036
-	4,171	(Surplus)/deficit for the year	2,249	-
-	2,036	Balance at the end of the year	213	1,522

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Guildford Borough Council

Report to: Corporate Governance & Standards Committee

Date: 16 November 2023

Ward(s) affected: All

Report of Director: Ian Doyle, Transformation and Governance

Author: Richard Bates, Executive Head of Finance

Tel: 01483 444026

Email: Your email Richard.bates@guildford.gov.uk

Lead Councillor responsible: Richard Lucas (Finance and Property), Julia McShane (Leader)

Email: richard.lucas@guildford.gov.uk

Report Status: Open

Medium Term Financial Plan (MTFP) and Financial Recovery Plan – November Update Report

1. Executive Summary

- 1.1. The Council agreed the 2023-24 budget in February 2023 with a £3.3m shortfall requiring further work to remove this gap, with the fallback position being the deployment of usable reserves.
- 1.2. An updated MTFP position was presented to the Council in July 2023 which set out the key issues and the position in which the Council was now left. In summary this was a remaining in-year deficit of £1.7m and a budget gap of £18.3m over the MTFP period to 2026-27.
- 1.3. A Financial Recovery Plan was presented to Council in August and updated in October. This set out the immediate and medium-term

actions being taken to address both the in-year and medium-term budget gaps.

- 1.4. In October, the Interim s151 officer concluded that sufficient progress had been made to avoid the need for a s114 report to be issued but that significant work was still required to produce a balanced budget for 2024-25 and beyond.
- 1.5. This report updates on the MTFP position, potential funding changes, and progress on the Recovery Plan workstreams.
- 1.6. The report also sets out the outcome of the review of the Capital Programme. If approved, this will remove £96.6m from the Approved and Provisional programmes which will reduce the Council's projected borrowing needs.
- 1.7. Section 9 of the report gives a high-level update on the potential remaining budget gap to be addressed and the actions ongoing to address this. The work to date on the Financial Recovery Plan has reduced the July MTFP gap of £18.3m by £9m to £7.3m.
- 1.8. Although excellent progress has been made, significant further work is still required to produce a balanced budget for 2024-25.

2. Recommendation

The Committee is asked to comment on the following recommendation that will be included in the report on this matter to the Executive on 23 November 2023:

That the Executive:

- 2.1. Notes the updated MTFP position and the further work ongoing to produce a balanced budget for 2024-25.
- 2.2. Recommends to Council (5 December 2023) that the proposed changes to the Approved and Provisional Capital Programmes set out in Appendix 1 be approved.

3. Reason for Recommendation:

- 3.1 To enable the Council to protect the current level of reserves and to set a balanced budget and a robust Medium-Term Financial Plan.

4. Exemption from publication

- 4.1. None

5. Purpose of Report

- 5.1. This report sets out the progress to date in addressing the MTFP budget gap through the workstreams established as part of the Council's Financial Recovery Plan.
- 5.2. The report details the output from the workstream dealing with reviewing the Council's capital programme and recommends a revised programme for approval.

6. Strategic Priorities

- 6.1. The budget underpins the Council's strategic framework and delivery of the Corporate Plan.

7. Background

- 7.1. The Council agreed the MTFP in February 2023 but with further work required at that stage to remove the need for reserves and balances to be used to close the in-year budget gap.
- 7.2. A number of issues were identified during the audit of the 2020-21 statement of accounts which led to the usable reserves of the Council being restated at a level of around £20 million less than previously reported. Significant due diligence work was undertaken to establish the baseline position and an updated General Fund budget was presented to Council in July 2023. This set out the gravity of the financial position and raised the possibility of the Council issuing a s114 report if insufficient action was taken.
- 7.3. A first issue of the Financial Recovery Plan was endorsed by the Council on 30 August 2023, establishing both immediate actions such

as a freeze on both vacancies and non-essential expenditure to help bring the current year back into balance. It also established a number of workstreams to deal with the MTFP budget gap together with a programme of improvements needed within the finance service.

- 7.4. A second issue of the Financial Recovery Plan was endorsed by Council on 10 October 2023 which detailed the actions to bring the current year's budget back within balance and an update on the other workstreams.
- 7.5. This report provides a further update, reflects upon how this will impact on the MTFP, and the further work still required to produce a balanced budget for 2024-25 which will be set in February.

8. Medium Term Financial Plan Update

- 8.1 The revised budget agreed by the Council on 25 July 2023 showed a projected budget gap over the MTFP period of £18.268m

	2023-24 Approved £'000	2024-25 Forecast £'000	2025-26 Forecast £'000	2026-27 Forecast £'000
Deficit / Surplus in-year	3,100	8,694	5,865	609
Cumulative Deficit	3,100	11,794	17,659	18,268

- 8.2 The funding assumptions used were as follows:

	2023-24 £m	2024-25 £m	2025-26 £m	2026-27 £m
Council Tax	11.253	11.851	12.207	12.575
CT surplus	0.140	0	0	0
Business Rates	3.670	3.211	3.093	3.093
New Homes Bonus	1.283	0	0	0
Services Grant	0.199	0.114	0.114	0.114
Revenue Support Grant	0.134	0	0	0
Funding Guarantee	0	0	0	0
TOTAL	16.161	15.176	15.414	15.782

- 8.3 The Local Government Finance Settlement will confirm funding levels for 2024-25. However, this is not expected to be received until mid-December. The latest assumptions are set out below.

Council Tax

- 8.4 The 2023 finance settlement confirmed that capping rules for District Councils in 2023-24 and 2024-25 would be 2.99%. There is no indication that this is likely to change. For Guildford, 1% on Council Tax equates to around £116,000 of funding.
- 8.5 The mid-year taxbase estimates have been submitted to the Department for Levelling Up, Housing and Communities (DLUHC) and show an increase of around 1.2% from last year. This is a small increase from the 1% assumed in the MTFP estimates.
- 8.6 Work is in train to look at the discretionary council tax policies and compliance in areas such as single person discount to ensure that the Council is receiving the income that it is due.

Business Rates

- 8.7 A reset of the business rates baseline has been anticipated for several years, with the implementation of the Fair Funding Review. It has now been confirmed that this will not take place in the current parliamentary term.
- 8.8 The business rates multiplier for 2024-25 has not been confirmed but should increase with inflation or if not, compensation given to local authorities via s31 grant.

New Homes Bonus (NHB)

- 8.9 A new scheme was due to be introduced two years ago but has still not even reached consultation stage. The notes included in the exercise for collection of the mid-year taxbase would suggest that a further single year of NHB is likely to be received as part of the Finance Settlement.
- 8.10 The value of this depends upon housing growth and empty homes brought back into use. In the current year, a sum of £1.283m has

been received. No NHB is currently factored into the MTFP projections.

Other Non-ringfenced Grants

- 8.11 In the current year, £0.199m of Services Grant and £0.134m of revenue support grant have been received.
- 8.12 In the 2023-24 settlement, a funding guarantee was included which guaranteed all councils a minimum increase of 3% in Core Spending Power.
- 8.13 At present, only a small amount of Services Grant is factored into the MTFP projections. If the funding guarantee is repeated for 2024-25, then losses of NHB and other non-ringfenced grants should be compensated through this mechanism. It is therefore likely that the current funding projection for 2024-25 is too prudent but this will only be confirmed in the December settlement.

Cost Pressures

- 8.14 Inflation remains stubbornly high, with the latest CPI figure (September 2023) unchanged at 6.7%. Whilst down from the October 2022 peak of 11.1%, this still remains well above the Bank of England target of 2%.

Pay Award

- 8.15 The pay award for Guildford is locally negotiated and has not yet been agreed for 2024-25. The MTFP assumptions were based upon an average increase of 3.3% over the MTFP period. Note – an additional 1% on the pay award would add an extra £0.32m to the budget gap.

Contract Inflation

- 8.16 Where possible, service budgets across the Council will be held at 2023-24 levels. However, there are areas of expenditure which we are contractually obliged to increase.
- 8.17 Major areas will include Utilities, Repairs and Maintenance, ICT, Telephony, contracted services, materials etc.

- 8.18 On utilities, the current contract runs to September 2024 and will be re-tendered. On rates available presently, this could produce a significant saving to the Council. However, with world events, this is a very volatile market so this cannot be secured until nearer the renewal date.

Borrowing Costs

- 8.19 Around half of the projected £18.3m MTFP gap relates to capital financing costs. This is due partly to the Council's ambitious capital programme and also due to the fact that the cost of borrowing has increased significantly since many of the major schemes in the capital programme were approved.
- 8.20 The largest capital project is the Weyside Urban Village (WUV) and although that will require significant borrowing during the 10-year project, that is not the driver for the MTFP gap. The interest payments on WUV are being capitalised so they will form part of the overall net project cost and MRP charges will not be made until the scheme is operational (in line with local authority accounting arrangements).
- 8.21 It is anticipated that total borrowing for the Council could peak at £600m (including HRA debt) prior to land sales on the WUV scheme which will generate capital receipts to repay some of the debt. The actions detailed below are intended to reduce the peak debt to £450m (including HRA debt).
- 8.22 With this in mind, a full review of the capital programme has been undertaken as part of the Financial Recovery Plan workstreams. This review has identified over £96m of schemes within the Approved and Provisional capital programmes which are now recommended to be removed.
- 8.23 The full list of proposed amendments to the capital programme are set out in **Appendix 1**, with key items summarised below:

Approved Programme

- Rodboro buildings – delayed due to planning.
- Property acquisitions – removed due to changes in the prudential code £20.823m
- Shaping Guildford's Future – revised approach £4.170m

Provisional Schemes

- Energy efficiency compliance – delayed.
- Westfield/Moorfield Rd resurfacing – brought forward.
- Guildford West Station – moved back to Capital vision £1,000.
- Property acquisitions – removed due to changes in the prudential code £38.292m
- EV for waste vehicles – delayed until new depot available.
- North Downs Housing Ltd / Guildford Borough Council Holdings Ltd – further investment removed £30.1m

8.24 Savings will be made against the £18.3m budget gap due to both a delayed and reduced need for further borrowing.

8.25 It must, however, be noted that only those items within the MTFP period will help to reduce the borrowing costs within the MTFP, and hence contribute towards the £18m budget gap. The other future changes will help reduce the future capital financing needs and hence reduce the extra budget requirements which would need to be dealt with in future years.

8.26 Additionally, a further workstream within the Financial Recovery Plan is looking at the potential for asset disposals. A target sum of £50m of capital receipts is being sought which will help to further reduce the long-term borrowing needs of the Council. These disposal plans will be more fully developed over the next few months, prior to the Council's budget being set in February 2024. This will also have an additional knock-on effect of reducing the revenue costs for the running and maintenance of our assets.

9. Revised MTFP Position

9.1 The table below summarises the indicative impact on the MTFP gap from the Financial Recovery Plan work to date.

	2023-24 Approved £'000	2024-25 Forecast £'000	2025-26 Forecast £'000	2026-27 Forecast £'000
Deficit / Surplus in-year	3,100	8,694	5,865	609
On-going savings in July report	(1,600)			
Reduced borrowing costs – capital programme reduction		(2,250)	(275)	(150)
Reduced borrowing costs – capital receipts. {details not yet identified}			(1,200)	(1,300)
Income reviews	(900)	(1,400)		
Contract renewals		(1,250)	(500)	
Other e.g., grants		(140)		
Potential total to date		(5,040)	(1,975)	(1,450)
Remaining target	600	3,654	3,890	(841)

9.2 Although the 2023-24 in year position is balanced, some of the savings are being delivered through one-off savings such as from the freeze on vacancies and discretionary spend. These therefore need to be replaced by ongoing savings in the 2024-25 budget.

9.3 The sum still required to be identified for 2024-25 is around £4.2m. However, this does not factor in the potential additional funding highlighted in section 8 which is likely to come in the form of either New Homes Bonus or Funding Guarantee. This could be in the order of £1.2 to £1.5m. This would still, however, leave a gap of around £3m to be identified.

9.4 Further work is ongoing to address this, exploring:

- Service delivery options
- Collaboration opportunities
- Policy changes – accounting and discretionary policies
- Full cost recovery / income generation / fees and charges
- Contract and procurement reviews
- Treasury Management
- Grants and subscriptions

9.5 Alongside this, the budget for 2024-25 is being built using a Zero-Based Budgeting approach. This will help to address some of the current issues where historic budgets have been rolled over. It is too early to say whether this will reduce or increase the remaining budget gap, but it will mean that budgets will be accurate going forwards and budget holders can then be held to account for their management of them.

9.6 A further workstream was also agreed as part of the Financial Recovery Plan, to look at the operation of the Finance Service. Significant progress has been made on many issues and the Council now has robust monthly monitoring in place, a budget book published, monitoring and review of debts and establishment control.

10. Consultations

10.1 The Joint Executive Advisory Board will scrutinise the budget proposals at its meeting on 8 January 2024. Any savings plans will need to be reviewed to ensure that the correct public / user consultations are undertaken prior to implementation.

11. Key Risks

11.1 With depleted reserves, the key risk for the Council in the current financial year is that if insufficient action was taken to ensure a balanced end of year position, then any overspend would have to be

met from the remaining reserves. This would further worsen the financial resilience of the Council, making a s114 position more likely.

- 11.2 The projected budget gap over the MTFP period is £18.3m and plans need to be developed to address this so that a balanced and robust budget can be agreed in February 2024.
- 11.3 One off events such as planning appeals and judicial reviews are difficult to predict and therefore not provided for within the base budget.
- 11.4 Recovery of debts is becoming more difficult due to the current cost of living crisis. These therefore need to be dealt with in a timely manner.
- 11.5 The ongoing impact of inflation and interest rates is difficult to predict.
- 11.6 A full risk-based assessment of the financial risks will be presented in the February budget papers, within the Interim S151 Officer's Section 25 report. This will also make a judgement on the adequacy of the Council's reserves.

12. Financial Implications

- 12.1 All decisions made with regard to the Council's budget will impact on the resources available for provision of the Council's services.
- 12.2 Significant further work is still required to remove the budget gap for 2024-25 and beyond. This will continue with engagement both across the wider Council and with councillors.

13. Legal Implications

- 13.1 The Council's legal duty to set a balanced budget is set out in section 31 Local Government Finance Act 1992, which provides that the Council must balance its expenditure with its revenue.
- 13.2 Section 114(3) Local Government Finance Act 1988 requires that: "The chief finance officer of a relevant authority shall make a report

under this section if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.”

- 13.3 The Council must continue to act lawfully in making decisions on service delivery, regardless of any s114 report. There continues to be a requirement to conduct needs assessments, undertake consultation where appropriate, assess and have regard to equalities implications, and take into account all other relevant considerations to inform their decisions about service delivery.

14. Human Resource Implications

- 14.1 The Council has been required to reduce operational and service delivery costs immediately. The immediate measures set out in the September Financial Recovery Plan halted most recruitment, and this is being kept under review. This is therefore impacting workforce matters, including the recruitment of directly employed staff, as well as contingency workers, i.e., agency staff, interims, and consultants, although the risks of doing so will have to be considered before individual decisions are taken.
- 14.2 Arrangements are in place for the consideration of exceptional cases, for example where there are significant Health and Safety risks, or the risk of statutory requirements not being met.
- 14.3 The Council will ensure careful and consistent communications to staff and unions and has drafted a communications plan to deliver this.

15. Equality and Diversity Implications

- 15.1 There are no direct equality, diversity or inclusion implications resulting from this point. These issues will continue to be considered as further savings options are appraised in due course.

16. Climate Change/Sustainability Implications

16.1 None at this point but will be considered as options are appraised in due course.

17. Summary of Options

17.1 Further Options will be developed through the workstreams set out within the Financial Recovery Plan and brought forward to councillors for decision as appropriate.

18. Conclusion

18.1 The work on the Financial Recovery Plan removed the immediate threat of a Section 114 report in October.

18.2 Progress has been made on reducing the MTFP gap as set out within this paper, but significant work is still required to produce a balanced budget for consideration in February 2024.

19. Background Papers

General Fund Budget Update – Council 25 July 2023

Issue 1 – Financial Recovery Plan – Council 30 August 2023

Issue 2 – Financial Recovery Plan 27 September 2023

20. Appendices

Appendix 1: Proposed changes to the Approved and Provisional Capital Programme.

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APPROVED SCHEMES

Note- PROPOSED CHANGES TO CAPITAL EXPENDITURE PROFILE. INCOME SUCH AS GRANT FUNDING NOT SHOWN FOR SIMPLICITY

GENERAL FUND CAPITAL PROGRAMME - ESTIMATED EXPENDITURE 2023-24 to 2028-29

Code	Directorate/Service and Capital Scheme name		Current Budget 2023-24	Proposed Change 2023-24	2024-25 Est for year	Proposed Change 2024-25	2025-26 Est for year	Proposed Change 2025-26	2026-27 Est for year	Proposed Change 2026-27	2027-28 Est for year	Proposed Change 2027-28	2028-29 Est for year
			£000		£000		£000		£000		£000		£000
APPROVED SCHEMES													
COMMUNITY DIRECTORATE													
General Fund Housing													
N51008	Disabled Facilities Grants	DFG Funded	605		605		-		-		-		-
N51019	Better Care Fund		-		-		-		-		-		-
N51020	Home Improvement Assistance		-		-		-		-		-		-
N51021	Solar Energy Loans		-		-		-		-		-		-
N51023	BCF TESH Project		-		-		-		-		-		-
N51024	BCF Prevention grant		-		-		-		-		-		-
N51030/32	SHIP		-		-		-		-		-		-
	General Grants to HAs		100		100		-		-		-		-
Asset Management													
P72022	Methane gas monitoring system	Delayed	52	(52)	-	52	-		-		-		-
P74058	Energy efficiency compliance - Council owned properties	Delayed	143	(143)	-	143	-		-		-		-
P51053	Bridges -Inspections and remedial works		61		-	-			-		-		-
P74072	Tyting Farm Land-removal of barns and concrete hardstanding	Bat survey delay	57	(51)	-	51	-		-		-		-
COMMUNITY DIRECTORATE TOTAL			1,018	-246	705	246	0	0	0	0	0	0	0
ENVIRONMENT DIRECTORATE													
Operational Services													
P66*	Flood resilience measures (use in conjunction with grant funded schemes)	Delayed	121	(121)	-	121	-		-		-		-
P58012	Vehicles, Plant & Equipment Replacement Programme	23-4 complete	136	(66)	2,150	66	-		-		-		-
P35022	Merrow lane grille & headwall construction	Planning delay	57	(57)	-	57	-		-		-		-
	Crown court CCTV		-		10	-			-		-		-
	Town Centre CCTV upgrade	Now s106 funded	-		250	(144)	-		-		-		-
Parks and Leisure													
P18224	Redevelopment of Westborough and Park Barn play area		376		-	-			-		-		-
P04009	Stoke cemetery re-tarmac		45		-	-			-		-		-
P18215	Parks and Countryside - repairs and renewal of paths, roads and car parks		18		-	-			-		-		-
P18220	Shalford Common - regularising car parking/reduction of encroachments		10		75	-			-		-		-
P18226	Traveller encampments	Delayed	25	(22)	28	22	-		-		-		-
	Traveller transit site provision	Delayed - SCC	127	(127)	-	127	-		-		-		-
P18238	Stoke Park Paddling Pool		2		-	-			-		-		-
P22067	Lido - Drainage Works		879		53	-			-		-		-
P18418	SMP astro turf surface	Complete	8		3	(3)	4	(4)			-		-
ENVIRONMENT TOTAL DIRECTORATE			1,804	(393)	2,569	246	4	(4)	-	-	-	-	-
FINANCE DIRECTORATE													
Financial Services													
	Capital contingency fund		1,925		2,000		2,000		2,000		2,000		-
RESOURCES DIRECTORATE TOTAL			1,925	0	2,000	0	2,000	0	2,000	0	2,000	0	0
DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS													
Development / Infrastructure													
P74069/P74	Rodboro Buildings - electric theatre through road and	s.t. planning	377	(377)	-	377	-		-		-		-
P79027/P79	Walnut Bridge replacement		39		-	-			-		-		-
P79032	SMC(West) Phase 1 (complete)		-		-	-			-		-		-

GENERAL FUND CAPITAL PROGRAMME - ESTIMATED EXPENDITURE 2023-24 to 2028-29

Code	Directorate/Service and Capital Scheme name		Current Budget 2023-24	Proposed Change 2023-24	2024-25 Est for year	Proposed Change 2024-25	2025-26 Est for year	Proposed Change 2025-26	2026-27 Est for year	Proposed Change 2026-27	2027-28 Est for year	Proposed Change 2027-28	2028-29 Est for year
			£000		£000		£000		£000		£000		£000
P79037/P79036	Ash Road Bridge	Gross expenditure	22,531		11,864		416		-		-		-
P79038	Ash Road Footbridge	Delayed	317	(317)	-	317	-		-		-		-
P79995	Broadband for Surrey Hills (B4SH)	Delayed	14	(13)	-	13	-		-		-		-
	Guildford West (PB) station	Move to capital vision	-		250	(250)	250	(250)	-		-		-
Development Financial													
P79996	Investment in North Downs Housing (60%)		-		-		-		-		-		-
P79997	Equity shares in Guildford Holdings Ltd (40%)		-		-		-		-		-		-
P72037	Middleton Ind Est Redevelopment		1,972		75		-		-		-		-
P72045	Property acquisitions	Prudential code	2,022		7,869	(6,869)	13,954	(13,954)	-		-		-
P05009	Rebuild Crematorium(complete)		252		-		-		-		-		-
P79023/P79024	North Street Development / Guild Town Centre regeneration		141		-		-		-		-		-
P79039	Shapina Guildford Future (SGF)	Revenue cost for	-		4,170	(4,170)	-		-		-		-
P79026	Internal Estate Road - CLLR Phase 1		193		-		-		-		-		-
P74039 / P79100/P18227	WUV (Weyside Urban Village)		86,935		23,517		-		-		-		-
P79101	WUV - Int roads, Site clearance		-		-		-		-		-		-
P79102	WUV - New GBC Depot		56		-		-		-		-		-
P79103	WUV - Off Site Highways		1		-		-		-		-		-
P79104	WUV - Thames Water relocation		-		-		-		-		-		-
P79105	WUV -Utilities & Plot services		-		-		-		-		-		-
P79106	WUV - Land Purchase		-		-		-		-		-		-
P79110	WUV - SANG		-		-		-		-		-		-
P79111	WUV - Common Land		-		-		-		-		-		-
DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS TOTAL			114,850	-707	47,745	-10,582	14,620	-14,204	0	0	0	0	0
APPROVED SCHEMES TOTAL			119,597	-1,346	53,019	-10,090	16,624	-14,208	2,000	0	2,000	0	0

PROVISIONAL SCHEMES

Code	Directorate / Service Units Capital Schemes	Revised estimate	Current Budget 2023-24	Proposed Change 2023-24	2024-25 Est for year	Proposed Change 2024-25	2025-26 Est for year	Proposed Change 2025-26	2026-27 Est for year	Proposed Change 2026-27	2027-28 Est for year	Proposed Change 2027-28	2028-29 Est for year
			£000	£000	£000		£000		£000		£000		£000
PROVISIONAL SCHEMES (schemes approved in principle; further report to the Executive required)													
COMMUNITY DIRECTORATE													
Asset Management													
	Methane gas monitoring system		-	-	150		-		-		-		-
	Energy efficiency compliance - Council owned properties & Energy & CO2 reduction in Council non HRA properties	Delayed	-	-	2,718	(2,718)	500	2,218	-	500			-
	Bridges	Delayed	370	(370)	-	370	-		-		-		-
	Westfield/Moorfield rd resurfacing	Brought forwards	-	-	-	3,152	3,152	(3,152)	-		-		-
	Investment Property void pot		100	-	100		100		100		100		-
Office Services													
	Millmead House - M&E plant renewal	Complete	33	(33)	-		-		-		-		-

GENERAL FUND CAPITAL PROGRAMME - ESTIMATED EXPENDITURE 2023-24 to 2028-29

Code	Directorate/Service and Capital Scheme name		Current Budget 2023-24 £000	Proposed Change 2023-24	2024-25 Est for year £000	Proposed Change 2024-25	2025-26 Est for year £000	Proposed Change 2025-26	2026-27 Est for year £000	Proposed Change 2026-27	2027-28 Est for year £000	Proposed Change 2027-28	2028-29 Est for year £000
COMMUNITY DIRECTORATE TOTAL			503	(403)	2,968	804	3,752	(934)	100	500	100	-	-
ENVIRONMENT DIRECTORATE													
Operational Services													
	Vehicles, Plant & Equipment Replacement Programme	Inflation	-	-	-		2,910	175	2,470	296	4,070	733	5,330
	Extra for EV Waste Vehicles	Delay until new Depot			1,010	(1,010)	1,080	(1,080)	-		2,380		
	Surface water management plan	Delayed	200	(200)	-	200	-		-		-		-
	Millmead House Lifts	Not required	200	(200)	-								
	GBC Depot - operational		200	-	2,200		30		-				
Parks and Leisure													
	Refurbishment / rebuild Sutherland Memorial Park	Not required	-	-	150	(150)	-		-				-
	Stoke Pk gardens water feature refurb	Not required	40	(40)	-		-		-		-		-
P18215	Parks and Countryside - repairs and renewal of paths, roads and car parks		250		250		250		250		382		-
	Millmead fish pass	Delayed	60	(60)	-	60	-		-		-		-
	Chilworth Gunpowder Mills		20	-	160		-						
	Memorial Wall		-	-	-		100		-				
	Stoke cemetery re-tarmac		18	-	-								
	Lido Road Allotment Security Fencing		70	-	-								
	2015 Play strategy action plan	Not required	200	(200)	-								
	Spectrum upgrades		1,250	-	1,750		2,300		1,150		650		-
	Derby Road playground conversion		120	-	-								
ENVIRONMENT DIRECTORATE TOTAL			2,628	(700)	5,520	(900)	6,670	(905)	3,870	296	7,482	733	5,330
DEVELOPMENT/INCOME GENERATING/COST REDUCTION PROJECTS													
Development / Infrastructure													
P79996	Investment in North Downs Housing		-	-	-		-		-		18,057	(18,057)	-
P79997	Equity shares in Guildford Holdings Ltd		-	-	-		-		-		12,043	(12,043)	-
	Sustainable Movement Corridor	Not required	-	-	150	(150)	-		-				-
	Guildford West (PB) station	Moved to capital vision	-	-	-		1,000	(1,000)	-				-
Development Financial													
	WUV (Weyside Urban Village)		-	-	84,104		39,368		21,060		-		-
	North Street development		50	-	50		50		50		50		50
	Property acquisitions	Prudential code change	-	-	-		13,000	(13,000)	13,000	(13,000)	12,292	(12,292)	-
ENT/INCOME GENERATING/COST REDUCTION PROJECTS TOTAL			50	-	84,304	(150)	53,418	(14,000)	34,110	(13,000)	42,442	(42,392)	50
PROVISIONAL SCHEMES - GRAND TOTALS			3,181	(1,103)	92,792	(246)	63,840	(15,839)	38,080	(12,204)	50,024	(41,659)	5,380
ALL SCHEMES - GRAND TOTALS			122,778	-2,449	145,811	-10,336	80,464	-30,047	40,080	-12,204	52,024	-41,659	5,380
TOTAL REDUCTION IN PROGRAMME												-96,695	

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Guildford Borough Council

Report to: Corporate Governance and Standards Committee

Date: 16 November 2023

Ward(s) affected: All wards

Report of Director: Transformation and Governance

Author: Sophie Butcher / John Armstrong

Tel: 01483 444056 / 444102

Email: sophie.butcher@guildford.gov.uk / john.armstrong@guildford.gov.uk

Lead Councillor responsible: Merel Rehorst-Smith

Tel: 01483 610581

Email: merel.rehorst-smith@guildford.gov.uk

Report Status: Open

Councillor Training and Development Annual Report 2023-24

1. Executive Summary

- 1.1 As agreed previously by this Committee, the Councillor Development Steering Group will submit an annual report to consider matters relating to the ongoing councillor training and development programme.
- 1.2 This report outlines the work undertaken by the Steering Group to date, focussing on the Councillor Induction Programme following the local elections, which ran from May-July 2023, and feedback received.
- 1.3 Following the local elections, the following councillors were appointed to the Steering Group:
 - Councillor Bob Hughes
 - Councillor Patrick Oven

- Councillor Katie Steel
- Councillor James Walsh
- Councillor Catherine Young

1.4 The Chairperson, is to be elected at the first meeting of the Group scheduled on Monday 13 November 2023.

2. Recommendation to Committee

2.1 The Committee is asked to note the valuable work being undertaken by the Councillor Development Steering Group in developing a clear structured plan for councillor development that responds both to the Council's corporate priorities and councillors' individual training needs.

3 Reason for Recommendation:

3.1 To recognise the important and ongoing work of the Councillor Development Steering Group.

4 Exemption from publication

None.

5. Purpose of report

5.1 The purpose of this report is to ask the Committee to consider matters relating to the ongoing councillor training and development programme.

6. Strategic Priorities

6.1 The training and development of councillors to equip them with the knowledge and skills to enable them effectively to carry out the various roles that they are expected to perform is consistent with the principles of good corporate governance and is referenced in the Annual Governance Statement as part of the arrangements the Council has for delivering good governance. The processes and procedures put in place for councillors' training and development provide a robust framework for responding to future challenges and legislative changes, which, in turn, help the Council to deliver on its strategic priorities.

7. Background

- 7.1 Any council that is serious about meeting the needs of its community through its corporate plan priorities must be committed to the ongoing training and development of its councillors. Most councils have some form of support programme in place. However, the approach and levels of commitment and effectiveness vary.

Councillors' Development Steering Group

- 7.2 It is essential that member development is member-led and, to that end, a small cross party steering group, currently comprising five councillors, supported by Democratic Services officers, is responsible for overall co-ordination of member development at Guildford.

- 7.3 The Steering Group's current terms of reference are:

"To continue to support councillors in their ongoing development and training needs through a clear, structured Action Plan for councillor development that responds to the corporate priorities of the Council."

- 7.4 The Steering Group meets every three months and the standing items on each agenda include:

- The ongoing Councillors' Training and Development Programme including feedback from councillors in respect of Training Events from the previous quarter
- Monitoring of expenditure against the Councillors' Training and Development Budget

- 7.5 In 2022, the Steering Group agreed that a comprehensive induction programme be put together for all newly elected councillors that ran from May-July 2023. Where possible, and in the spirit of our collaboration, we have tried to identify shared training and development opportunities with Waverley, particularly in respect of generic topic areas such as the regulatory functions like planning and licensing and in relation to ethical standards. In such cases,

Waverley councillors were invited to our training sessions and Guildford councillors invited to the Waverley sessions.

- 7.6 The following induction training and development events for councillors, including a number of briefings in respect of key projects and planning applications, were held:

Date	Training
9 May 23	Reception for Newly Elected Councillors
11 May 23	Licensing Act 2003 - Overview and Decision Making
15 May 23	Planning Basics Training @ Waverley AM and Guildford PM
16 May 23	Mock Council Meeting
18 May 23	ICT and Modern.gov Overview
22 May 23	Hackney Carriage Private Hire - Overview and Decision Making
23 May 23	Introduction to Overview and Scrutiny
24 May 23	Introduction to Local Government Finance @ Waverley
30 May 23	Briefing on PPM Governance
5 June 23	Chairing Meetings Training AM
5 June 23	Introduction to Local Government Finance @ Guildford
6 June 23	Overview and Scrutiny – Importance of the Work Programme
8 June 23	Introduction to Overview and Scrutiny Skills @ Waverley AM
8 June 23	Chairing Skills @Waverley (afternoon)
8 June 23	Briefing on the Weyside Urban Village (1)
12 June 23	Planning Basics Training (R) @ Waverley
13 June 23	North Street Briefing
14 June 23	Ethical Standards Training @ Waverley (afternoon) and Guildford PM
15 June 23	Scrutiny Skills @ Waverley PM
15 June 23	Overview of role of Corporate Governance and Standards (prior to meeting)
19 June 23	Other Licensing Training – (street trading, gambling, charity collections, animals, SEVs)
20 June 23	Planning Basics Training @Guildford (R)
26 June 23	Briefing on the Weyside Village (2)
27 June 23	Ethical Standards Training for Parish Councillors
28 June 23	How to use Social Media
29 June 23	Data Protection and Freedom of Information

Date	Training
3 July 23	Data Protection Training for Parish Councillors
4 July 23	Equalities and Inclusive Leadership Workshop
5 July 23	Ethical Standards @Waverley (R) PM
5 July 23	Briefing about Wisley
12 July 23	Gosden Hill Farm Briefing
13 July 23	Emergency Planning Training
17 July 23	Briefing on Ash Road Bridge
18 July 23	Briefing on Yvonne Arnaud Theatre (1)
19 July 23	Roles and Responsibilities – Overview in Planning
20 July 23	All Councillor Briefing – General Fund Budget Update
24 July 23	Briefing on Guildford Park Road
25 July 23	Health and Safety Briefing
31 July 23	Introduction to Local Authority Housing
Further Training	
3 August 23	Safeguarding Councillor Training
6 Sept 23	Executive Members: Interview Training and Working with the Media
11 Sept 23	Enforcement Overview
14 Sept 23	Planning Training for Parish Councillors
19 Sept 23	Briefing on the Yvonne Arnaud Theatre (2)
4 Oct 23	Viability in Planning Workshop
8 Nov 23	Roles and Responsibilities – Overview in Planning (2)

7.7 Feedback received following the training sessions was overall very positive.

7.8 In respect of the Reception evening immediately following the elections it was accepted by officers that there was a great deal of induction paperwork to process for councillors. This element will be reviewed for the next elections in 2027 and would be better dealt with by either starting the session earlier in the day or inviting smaller groups of councillors into the office on different days to process paperwork and answer questions more fully, particularly with regard to the registers of interest form, rather than trying to deal with it all together. The councillors were often left queuing and it was not the best use of time for all involved.

7.9 The planning training provided by PAS was scheduled in for longer than anticipated, a total of 2.5-3 hours and therefore the session

will be scheduled in earlier in the evening as a 7pm start was too late, particularly in light of the packed schedule overall.

- 7.10 The induction timetable was very busy, packed into three months from May-July. Owing to the significant influx of new councillors, it was necessary to schedule in additional briefings on Council projects and there was a sense that this needed to be undertaken as soon after the elections as possible to give councillors a proper overview.
- 7.11 As referenced in paragraph 7.5 above, to try and give more flexibility to Councillors, Guildford and Waverley hosted training on a range of key topics on different dates and times, offering both daytime and evening sessions as well as providing repeat sessions of regulatory functions such as planning. Both councils shared all training offered providing the option for councillors to attend either in person or online via MS Teams or Zoom as well as recording the sessions and sending a link the day after. This element worked well for councillors who then did not need to attend all sessions in person.
- 7.12 Following the next election, we would like to offer a better paced induction, with the regulatory training undertaken as soon as possible but with other elements scheduled in at a later date. This would make more effective use of councillor and officer time. In addition, other elements of training could be provided by signposting councillors to the online free training resources offered by the LGA such as data protection and freedom of information.
- 7.13 Councillors' completion of evaluation forms was sometimes low, and therefore it was difficult to ascertain feedback and learning points from the training offered. It was accepted that completion rates declined towards the end of the induction programme when councillors were probably growing tired of attending the many sessions scheduled. Councillors who attended online, rather than attending in person would often not send back the evaluation forms and therefore a better way of evaluating the induction programme is sought. During the Covid-19 pandemic, we did set up an online evaluation form for completion which could be used again and maybe easier for councillors to complete. This will be reviewed by the Councillor Development Steering Group. Copies

of evaluation forms received during the induction process are attached as **Appendix 1** to this report.

- 7.14 Executive members were offered the opportunity to attend the Leadership Academy which is a leadership development programme for leading councillors based on three two-day residential modules over a three-month period. Leading councillors from across the country and political spectrum have found the Leadership Academy helps to ensure they can effectively address modern challenges and make the most of new opportunities. Over 3,300 elected members from almost every council in the country have graduated from the main Leadership Academy programme since it was launched 22 years ago. To date, Councillor Catherine Houston has enrolled on the Leadership Academy.
- 7.15 A monthly planning training programme has been set-up which covers a range of key topics. These are outlined in the 2023-24 Councillor Training Programme which is attached at **Appendix 2**.

8. Financial Implications

- 8.1 The Councillors' Training and Development budget is normally £14,000 per annum and was increased to £23,000 for 2023-24 to cover the additional spend anticipated following the intensive Councillor Induction programme. The Steering Group oversees and monitors how this is spent throughout the year. We are currently within budget.

9. Legal Implications

- 9.1 There are no legal implications arising from this report.

10. Human Resource Implications

- 10.1 There are no HR implications arising from this report. All officer support for councillors' development is met through existing staffing resources.

11. Equality and Diversity Implications

11.1 There are no equalities and diversity implications arising directly from this report.

12. Climate Change/Sustainability Implications

12.1 Councillors were able to attend the various induction training events remotely if they were unable to attend in person, which avoided several car journeys thereby reducing the Council's carbon emissions. Training for councillors on climate change will need to be included in the ongoing training and development programme. Democratic Services are currently looking at available options to provide some training to councillors in this regard.

12.2 There are no other climate change/sustainability implications arising directly from this report.

13. Background papers

None

14. Appendices

Appendix 1: Evaluation Forms from induction training

Appendix 2: Current councillors' training and development programme

SUMMARY OF FEEDBACK FORMS FROM RECENT EVENTS

MAY – JULY 2023

RECEPTION FOR NEWLY ELECTED COUNCILLORS

7:00pm Tuesday 9 May 2023

A total of 44 councillors attended in person:

1.	Cllr Bilal Akhtar	23.	Cllr Steven Lee
2.	Cllr Phil Bellamy	24.	Cllr Sandy Lowry
3.	Cllr Dawn Bennett	25.	Cllr Richard Lucas
4.	Cllr David Bilbé	26.	Cllr Julia McShane
5.	Cllr Honor Brooker	27.	Cllr Richard Mills
6.	Cllr James Brooker	28.	Cllr Carla Morson
7.	Cllr Philip Brooker	29.	Cllr Danielle Newson
8.	Cllr Ruth Brothwell	30.	Cllr Patrick Oven
9.	Cllr Yves de Contades	31.	Cllr George Potter
10.	Cllr Amanda Creese	32.	Cllr Maddy Redpath
11.	Cllr Geoff Davis	33.	Cllr Merel Rehorst-Smith
12.	Cllr Jason Fenwick	34.	Cllr David Shaw
13.	Cllr Matt Furniss	35.	Cllr Joanne Shaw
14.	Cllr Angela Goodwin	36.	Cllr Howard Smith
15.	Cllr Lizzie Griffiths	37.	Cllr Katie Steel
16.	Cllr Gillian Harwood	38.	Cllr Cait Taylor
17.	Cllr Steven Hives	39.	Cllr Jane Tyson
18.	Cllr Catherine Houston	40.	Cllr Keith Witham
19.	Cllr Bob Hughes	41.	Cllr Fiona White
20.	Cllr Tom Hunt	42.	Cllr Dominique Williams
21.	Cllr James Jones	43.	Cllr Sue Wyeth-Price
22.	Cllr Vanessa King	44.	Cllr Catherine Young

28 councillors returned the feedback forms.

1. The time of the event was convenient:

Agreed strongly	Agreed
22	7

Comment:

- Retired so any time generally convenient.
- Could do with coming in earlier to do forms or have two people on this as no time to say hello to officers/councillors.

2. I was able to hear the officers:

Agreed strongly	Agreed
23	6

3. The Introduction and Welcome and overview of the Council from the Joint Chief Executive was useful

Agreed strongly	Agreed
25	4

Comment:

- Very clear and inspirational!
- Tom's intro was excellent and very welcoming. The culture bit really hit home. Great to raise.

4. The overview of Committee Services was useful:

Agreed strongly	Agreed
21	7

Comment:

- Susan and John very clear, thank you.

5. The session provided on Appointment to External Organisations was useful:

Agreed strongly	Agreed	Disagreed Strongly
13	5	2

Comment:

- Not discussed.
- Perhaps would have liked a little more information on this, but will probably learn more during induction process.

6. The handouts were informative and easy to understand:

Agreed strongly	Agreed
13	8

Comment:

- A bit long though.
- Booklet/handout from Count very useful.

7. There was a good standard of visual media (for example, Powerpoint presentation):

Agreed strongly	Agreed	Disagreed	Disagreed Strongly
5	7	1	2

Comment:

- No powerpoint presentation.
- None.
- N/A.

8. The informal session provided to sort photographs and paperwork queries:

Agreed strongly	Agreed	Disagreed
14	6	2

Comment::

- The session was a little muddled.
- A bit chaotic.
- Seemed okay. I arrived early so did everything quickly. There was a long/slow queue eventually.
- Room was quite hot and crowded.
- See previous re: needing two people perhaps.

9. The induction evening met my expectations:

Agreed strongly	Agreed
17	8

Additional comments overall:

- Nibbles would have been appreciated given the time of the meeting.
- I appreciated the efficiency.

LICENSING ACT 2003 TRAINING PROVIDED BY MIKE SMITH

- **7:00pm 11 May 2023**

A total of 21 councillors attended, 13 in person and 8 online:

1.	Cllr Phil Bellamy	12.	Cllr Julia McShane
2.	Cllr Dave Bennett	13.	Cllr Carla Morson
3.	Cllr Philip Brooker	14.	Cllr Patrick Oven
4.	Cllr Amanda Creese	15.	Cllr Merel Rehorst-Smith
5.	Cllr Angela Goodwin	16.	Cllr David Shaw
6.	Cllr Gillian Harwood	17.	Cllr Katie Steel
7.	Cllr Catherine Houston	18.	Cllr Cait Taylor
8.	Cllr Tom Hunt	19.	Cllr Jane Tyson
9.	Cllr Vanessa King	20.	Cllr Fiona White
10.	Cllr Sandy Lowry	21.	Cllr Keith Witham
11.	Cllr Richard Lucas		

14 councillors returned the feedback forms.

1. The time of the event was convenient:

Agreed strongly	Agreed
6	8

Comment:

- Retired so time not a problem for me.

2. The event and content were relevant to my role as a councillor:

Agreed strongly	Agreed
8	6

Comment:

- Largely depends on whether I become a member of the Licensing Committee.

3. I was able to hear the facilitator clearly:

Agreed strongly	Agreed	Disagreed
5	6	2

Comment:

- Speaker spoke very fast, if this was due to amount of content, maybe less over a couple of sessions.
- Spoke quite fast, please speak more slowly.
- Very knowledgeable and thorough, would be helpful if presenter spoke more slowly.
- Bit quiet and flat in his delivery but caught most of it, sometimes when he voice dropped he would speak too quickly.

4. The facilitator was helpful in response to questions

Agreed strongly	Agreed
7	5

Comment:

- Lots of questions all dealt with as thoroughly as time allowed.

5. There was adequate opportunity to discuss topics

Agreed strongly	Agreed
4	6

Comment:

- Good questions and good answers.
- Was a lecture rather than a discussion as have to give the time constraints so not relevant.

6. The discussions were interesting

Agreed strongly	Agreed
6	3

Comment:

- Very interesting.

7. The handouts were informative and easy to understand

Agreed strongly	Agreed
	1

Comment:

- No handouts provided.

8. There was a good standard of visual media (e.g. Powerpoint presentation)

Agreed strongly	Agreed
4	7

9. I feel that time allocated at the event was used effectively

Agreed strongly	Agreed
2	8

Comment:

- A bit of a dash through of the subject.
- Perhaps tried to cover too much in a two hour period, perhaps two sessions would be better.

10. Overall I found the event useful

Agreed strongly	Agreed
5	6

Comment:

- As at 9 alone, too much information to take in over a short single session.

11. I would attend other sessions of this type

Agreed strongly	Agreed
4	7

12. How confident do you now feel about making decisions on the area this training has covered?

Very Confident	Confident	Capable
3	5	3

13. Is any further information/training required?

- Thank you.
- The room was very warm, far too conducive to sleep after a long day.
- Home keeping – put phones on silent/not on clicks of texting as it disturbs the room.
- This meeting conveyed everything.
- I would appreciate a published end time.
- Following up would be good in a few months time.
- Need more training on other licensing topic

Planning Basics Training – (Planning Advisory Services (PAS)) Gilian Macinnes

7:00pm 15 May 2023

A total of 32 Guildford Borough Councillors attended and 3 Waverley Borough Councillors, 30 in person and 2 online:

1.	Cllr Bilal Akhtar	17.	Cllr Richard Lucas
2.	Cllr Dawn Bennett	18.	Cllr Julia McShane
3.	Cllr Joss Bigmore	19.	Cllr Richard Mills
4.	Cllr Honor Brooker	20.	Cllr Danielle Newson
5.	Cllr Philip Brooker	21.	Cllr Patrick Oven
6.	Cllr Ruth Brothwell	22.	Cllr George Potter
7.	Cllr Yves de Contades	23.	Cllr Merel Rehorst-Smith
8.	Cllr Geoff Davis	24.	Cllr David Shaw
9.	Cllr Angela Goodwin	25.	Cllr Joanne Shaw
10.	Cllr Steve Hives	26.	Cllr Katie Steel
11.	Cllr Catherine Houston	27.	Cllr Cait Taylor
12.	Cllr Tom Hunt	28.	Cllr Jane Tyson
13.	Cllr James Jones	29.	Cllr James Walsh
14.	Cllr Vanessa King	30.	Cllr Fiona White
15.	Cllr Steven Lee	31.	Cllr Sue Wyeth-Price
16.	Cllr Sandy Lowry	32.	Cllr Catherine Houston

Three Waverley Borough Councillors also attended: Cllr Adam Duce, Heather McLean and James Staunton.

The following councillors attended the PAS Training session held at Waverley, on the same date but in the morning:

Cllr Phil Bellamy, Cllr Matt Furniss and Cllr Howard Smith.

17 councillors returned the feedback forms. The feedback forms used were created by PAS and not the Council, therefore the questions asked are different:

1. Overall, what did you think of the training session?:

Good	Excellent
6	13

2. Did this event help you in your role in Planning decision making?:

No	Yes
	17

3. If not, please tell us what we could have done to make that so:

- Questions are necessary at the time generally but some councillors were making comments which were unnecessary interruptions perhaps all questions could be asked at intervals rather than driving the teaching session.
- Some Guildford examples would be good. Perhaps taking a turned down appeal and pull apart – why? At some points I wondered why we have a Planning Committee at all! What do we add if officers know law v. statutory orgs have rules? We debate and share subjective opinions on how conclusions have been arrived at. Perhaps wrap the presentation up with the role of the Planning Committee? “Come to your view in the light of the officer assessment and recommendations” – therefore why have a Planning Committee?
- Given the time it wasn’t possible to go into much detail. However, I have a good number of questions which I’d like to follow up.
- Fantastically engaging trainer. Too much content for the time available. I would absolutely go to a follow-up training session with this trainer, even though I’m not intending to be on the Planning Committee this year.

- Pre-meeting circulation of list of speakers with name, job title, contact details. General inbox for queries we can use, other support systems in place to help/advise.
- Gilian is fab, made the info accessible and entertaining, first rate.
- Would help to have slides in advance. Thank you for a very good training session.

4. What were the best bits of the day/s (and why?)

- Gilian's training was excellent – didn't imagine I'd find planning training interesting (as a newbie)!
- The councillors role – using subs where it impacts on your position.
- Good engaging speakers.
- Providing an overview.
- Exploration of the planning balance in some detail.
- Gilian is incredibly engaging and made a difficult subject (emotive) very clear and specific in terms of one role, the plan and the planning process.

5. What could have been improved to make the event more beneficial for you?

- Less opinion from the room. Genuine clarifying questions were good but they became less focussed. Thought it finished at 9pm as advertised so struggled with last half an hour sorry!
- My previous comments answer this.
- It was too long after such a busy time (elections). Of course we had questions. Maybe a session with our own Head of Place.
- The opportunity for follow up questions.
- Too little knowledge to be able to properly make a decision on the question.
- More time, series of lectures.

- It is always good to have interactive sessions to keep the training 'live' but the way the training ran tonight this wasn't needed.

6. If you had one ask for PAS support over the next year, what would it be?

- Nothing I can think of right now.
- Unable to say – reasons as above. If one issue would be likely to be over major developments allocated in the Local Plan.
- To please sort out the Planning Committee process at GBC in terms of having to vote on each reason for refusal.

7. Anything else you'd like PAS to know?

- Excellent training, thank you very much!
- No thank you.
- Thank you!
- Not at this stage. Thank you for a very clear and informative lecture. Very useful.
- Gilian was excellent and the lady who was with her added good points. Do PAS running training modules?

**MOCK COUNCIL MEETING DEMOCRATIC AND ELECTORAL SERVICES
MANAGER, JOHN ARMSTRONG**

7:00pm 16 May 2023

A total of 19 councillors attended, 11 councillors in person and 7 councillors online:

1.	Cllr Sallie Barker	11.	Cllr Julia McShane
2.	Cllr Phil Bellamy	12.	Cllr Patrick Oven
3.	Cllr James Brooker	13.	Cllr Masuk Miah
4.	Cllr Yves de Contades	14.	Cllr Mills
5.	Cllr Amanda Creese	15.	Cllr Howard Smith
6.	Cllr Catherine Houston	16.	Cllr Katie Steel
7.	Cllr James Jones	17.	Cllr Jane Tyson
8.	Cllr Vanessa King	18.	Cllr Fiona White
9.	Cllr Sandy Lowry	19.	Cllr Dominique Williams
10.	Cllr Richard Lucas		

14 councillors returned the feedback forms.

1. The time of the event was convenient:

Agreed strongly	Agreed
8	6

2. The event and content were relevant to my role as a councillor:

Agreed strongly	Agreed
11	3

3. I was able to hear the facilitator clearly:

Agreed strongly	Agreed
10	4

4. The facilitator was helpful in response to questions

Agreed strongly	Agreed
9	5

5. There was adequate opportunity to discuss topics

Agreed strongly	Agreed
11	3

6. The discussions were interesting

Agreed strongly	Agreed
7	5

Comment:

- Useful preparation for new councillors.

7. The handouts were informative and easy to understand

Agreed strongly	Agreed
7	4

**8. There was a good standard of visual media
(e.g. Powerpoint presentation)**

Agreed strongly	Agreed
7	6

9. I feel that time allocated at the event was used effectively

Agreed strongly	Agreed
9	4

10. Overall I found the event useful

Agreed strongly	Agreed
8	5

11. I would attend other sessions of this type

Agreed strongly	Agreed
9	4

12. How confident do you now feel about making decisions on the area this training has covered?

Very Confident	Confident	Capable
3	6	3

13. Is any further information/training required?

- Just review a recording. Thank you very much for organising this training.
- Would have been helpful to actually step through a mock motion, amendment etc. It could be something silly, like where to hold the Christmas party.
- Perhaps a recap after some practice.
- Thank you!
- Just to break down some of the terminology. A lot of this is new to me, thanks.
- Thank you very much!

ICT OVERVIEW/MODERN.GOV AND FREEDOM OF INFORMATION

7:00pm 18 May 2023

A total of 17 councillors attended, 3 councillors attended in person and 14 online:

1.	Cllr Dawn Bennett	11.	Cllr Howard Smith
2.	Cllr Amanda Creese	12.	Cllr Cait Taylor
3.	Cllr Sandy Lowry	13.	Cllr Jane Tyson
4.	Cllr Richard Lucas	14.	Cllr Fiona White
5.	Cllr Julia McShane	15.	Cllr Dominique Williams
6.	Cllr Carla Morson	16.	Cllr Sue Wyeth-Price
7.	Cllr Danielle Newson	17.	Cllr Catherine Young
8.	Cllr George Potter		
9.	Cllr Merel Rehorst-Smith		
10.	Cllr David Shaw		

3 councillors returned the feedback forms:

1. The time of the event was convenient:

Agreed strongly	Agreed
2	1

2. The event and content were relevant to my role as a councillor:

Agreed strongly	Agreed
2	1

3. I was able to hear the facilitator clearly:

Agreed strongly	Agreed
2	1

4. The facilitator was helpful in response to questions

Agreed strongly	Agreed
2	1

5. There was adequate opportunity to discuss topics

Agreed strongly	Agreed
2	1

6. The discussions were interesting

Agreed strongly	Agreed
2	1

7. The handouts were informative and easy to understand
N/A

8. There was a good standard of visual media (e.g. Powerpoint presentation)

Agreed strongly	Agreed
1	2

9. I feel that time allocated at the event was used effectively

Agreed strongly	Agreed
1	2

10. Overall I found the event useful

Agreed strongly	Agreed
2	1

11. I would attend other sessions of this type

Agreed strongly	Agreed
2	1

12. How confident do you now feel about making decisions on the area this training has covered?

Very Confident	Confident
1	2

13. Is any further information/training required?

HACKNEY CARRIAGE AND PRIVATE HIRE – MIKE SMITH

7:00pm 22 May 2023

A total of 21 councillors attended, 8 councillors attended in person and 8 councillors attended online:

1.	Cllr Bilal Akhtar	10.	Cllr David Shaw
2.	Cllr Sallie Barker	11.	Cllr Katie Steel
3.	Cllr Amanda Creese	12.	Cllr Jane Tyson
4.	Cllr Catherine Houston	13.	Cllr Dominique Williams
5.	Cllr Bob Hughes	14.	Cllr Keith Witham
6.	Cllr Sandy Lowry	15.	Cllr Sue Wyeth-Price
7.	Cllr Richard Mills	16.	Cllr Catherine Young
8.	Cllr Patrick Oven	17.	
9.	Cllr Merel Rehorst-Smith	18.	

X5 Waverley Borough Councillors attended: Cllrs John Robini, Michael Goodridge, Andrew Laughton, Michael Higgins and Jacqui Keen.

12 councillors returned the feedback forms.

1. The time of the event was convenient:

Agreed strongly	Agreed
3	9

Comment:

- Retired, so any time convenient for me.

2. The event and content were relevant to my role as a councillor:

Agreed strongly	Agreed
4	8

Comment:

- Extremely relevant as a member of the Licensing Committee especially as taxi licensing an area I know nothing about previously.
- Very clear on what is expected of the Council and responsibilities to the general public.

3. I was able to hear the facilitator clearly:

Agreed strongly	Agreed	Disagreed
5	6	1

Comment:

- Spoke too fast at times.
- Very clear, good references to the slides and a nice flow to the training.

4. The facilitator was helpful in response to questions

Agreed strongly	Agreed
5	7

Comment:

- Mike answered all my questions very clearly. He is very knowledgeable.

5. There was adequate opportunity to discuss topics

Agreed strongly	Agreed	Disagreed
5	6	1

Comment:

- Fast paced presentation no real opportunity for discussion.
- After each section, we were asked for any comments.

6. The discussions were interesting

Agreed strongly	Agreed
4	5

Comment:

- I personally am very interested in this. It could be more interactive with a multiple choice section e.g. what we think is a 'fit and proper person'.

7. The handouts were informative and easy to understand

Agreed strongly	Agreed
2	3

Comment:

- Slides very clear.
- No handouts provided – think they would have been helpful given the detailed information provided.

8. There was a good standard of visual media (e.g. Powerpoint presentation)

Agreed strongly	Agreed
3	9

Comment:

- As above, handouts would have helped and have now been told that the slides will be circulated afterwards to members.
- A nice mixture of humour on the slides, some slides had lots of text.

9. I feel that time allocated at the event was used effectively

Agreed strongly	Agreed
3	9

Comment:

- Time allocated effectively but really needed more time.
- A lot to cover, I can understand why its quite intensive.

10. Overall I found the event useful

Agreed strongly	Agreed
4	8

Comment:

- As a current member of the Licensing Committee this was an extremely helpful session.

11. I would attend other sessions of this type

Agreed strongly	Agreed
6	5

12. How confident do you now feel about making decisions on the area this training has covered?

Very Confident	Confident	Capable
3	6	3

Comment:

- Not a Committee Member.

13. Is any further information/training required?

- No
- Refresher training would be useful at a later date after a reasonable settling in period.
- I'm wondering if a mock sub-committee might be helpful for the new nominated chairs? Ignore this as heard there's one to watch.

AN INTRODUCTION TO OVERVIEW AND SCRUTINY

7:00pm 23 May 2023

A total of 21 councillors attended:

1.	Cllr Bilal Akhtar	12.	Cllr Julia McShane
2.	Cllr Sallie Barker	13.	Cllr Richard Mills
3.	Cllr Honor Brooker	14.	Cllr Danielle Newson
4.	Cllr Philip Brooker	15.	Cllr Patrick Oven
5.	Cllr Jason Fenwick	16.	Cllr Merel Rehorst-Smith
6.	Cllr Lizzie Griffiths	17.	Cllr Howard Smith
7.	Cllr Gillian Harwood	18.	Cllr Katie Steel
8.	Cllr Bob Hughes	19.	Cllr Cait Taylor
9.	Cllr Vanessa King	20.	Cllr James Walsh
10.	Cllr Sandy Lowry	21.	Cllr Dominique Williams
11.	Cllr Richard Lucas		

14 councillors returned the feedback forms.

1. The time of the event was convenient:

Agreed strongly	Agreed
9	5

Comment:

- Evening meetings are always helpful. Thank you!
- Would be happy for these events to start 30 minutes earlier and end earlier.
- Retired, so timing generally convenient.

2. The event and content were relevant to my role as a councillor:

Agreed strongly	Agreed
9	5

Comment:

- Not a member of O&S, but clearly potentially could sit as a substitute, so very relevant.
- Good overview.

3. I was able to hear the facilitator clearly:

Agreed strongly	Agreed
10	4

4. The facilitator was helpful in response to questions

Agreed strongly	Agreed
11	1

Comment:

- Used his knowledge to give valuable guidance.

5. There was adequate opportunity to discuss topics

Agreed strongly	Agreed
11	3

Comment:

- Very Good!
- Floor open to questions on what O&S might achieve, but four takers!

6. The discussions were interesting

Agreed strongly	Agreed
10	4

7. The handouts were informative and easy to understand

Agreed strongly	Agreed
3	5

Comment:

- N/A – save for brief synopsis of lecture pm.

8. There was a good standard of visual media (e.g. Powerpoint presentation)

Agreed strongly	Agreed	Disagreed
8	5	1

9. I feel that time allocated at the event was used effectively

Agreed strongly	Agreed
8	6

Comment:

- 2 hours allowed, so as finished early perhaps would have time for more detailed exploration of some issues.

10. Overall I found the event useful

Agreed strongly	Agreed
12	2

Comment:

- Extremely so, especially for me knowing nothing, as a new councillor about this area.

11. I would attend other sessions of this type

Agreed strongly	Agreed
10	4

Comment:

- I have found the clarity or enthusiasm of the lecturer infectious, I only attended in case I had to act as a substitute but was inspired!

12. How confident do you now feel about making decisions on the area this training has covered?

Very Confident	Confident	Capable
1	10	2

Comment:

- Helped a lot but achieving what was laid out as good scrutiny is challenging probably!
- Even after such a brief introduction, I feel confident I could happily sit on the Committee.

13. Is any further information/training required?

- Great session from a presenter who had wisdom to impasse onto us as well as experience.

- Some specific examples of Council's who do O&S well and badly – would be interesting to have.
- Not at the moment.
- He covered all aspects. Very good!
- Probably in due course. Thoroughly enjoyed the evening, was inspirational!

CHAIRING MEETINGS MARK PALMER (SOUTH EAST EMPLOYERS (SEE)

10am - midday 5 June 2023

A total of 8 councillors attended. This session was held entirely online:

1.	Cllr Sallie Barker
2.	Cllr Phil Bellamy
3.	Cllr Ruth Brothwell
4.	Cllr Masuk Miah
5.	Cllr Carla Morson
6.	Cllr James Walsh
7.	Cllr Sue Wyeth-Price
8.	Cllr Catherine Young

0 councillors returned the feedback forms sent to them on email.

INTRODUCTION TO LOCAL GOVERNMENT FINANCE – PETER VICKERS

7pm – 9pm 5 June 2023

A total of 11 councillors attended online who are listed below.

Unfortunately, it was not noted which councillors attended in person:

1.	Cllr Phil Bellamy	7.	Cllr Carla Morson
2.	Cllr Joss Bigmore	8.	Cllr Danielle Newson
3.	Cllr Amanda Creese	9.	Cllr Merel Rehorst-Smith
4.	Cllr Geoff Davis	10.	Cllr James Walsh
5.	Cllr Angela Goodwin	11.	Cllr Dominique Williams
6.	Cllr James Jones		

0 councillors returned the feedback forms sent to them on email.

**OVERVIEW AND SCRUTINY – THE IMPORTANCE OF THE WORK PROGRAMME
– JOHN CADE**

7pm – 9pm 6 June 2023

A total of 27 councillors attended, 19 in person and 6 GBC Councillors online and 2 Waverley Borough Councillors, Jermone Davidson and Jerry Hyman attended online.

1.	Cllr Honor Brooker	14.	Cllr Carla Morson
2.	Cllr Yves de Contades	15.	Cllr Danielle Newson
3.	Cllr Amanda Creese	16.	Cllr Pat Oven
4.	Cllr Angela Goodwin	17.	Cllr George Potter
5.	Cllr Lizzie Griffiths	18.	Cllr Joanne Shaw
6.	Cllr Gill Harwood	19.	Cllr Howard Smith
7.	Cllr Catherine Houston	20.	Cllr Katie Steel
8.	Cllr James Jones	21.	Cllr Jane Tyson
9.	Cllr Vanessa King	22.	Cllr James Walsh
10.	Cllr Sandy Lowry	23.	Cllr Fiona White
11.	Cllr Richard Lucas	24.	Cllr Dominique Williams
12.	Cllr Julia McShane	25.	Cllr Sue Wyeth-Price
13.	Cllr Richard Mills	26.	Cllr Jermone Davidson (WBC)
		27.	Cllr Jerry Hyman (WBC)

19 councillors returned the feedback forms.

1. The time of the event was convenient:

Agreed strongly	Agreed
11	8

2. The event and content were relevant to my role as a councillor:

Agreed strongly	Agreed
13	6

Comment:

- Only a substitute member but very useful to know something about this area of the Council's work.
- Yes, because I am a new councillor and I am on this committee.

3. I was able to hear the facilitator clearly:

Agreed strongly	Agreed
16	3

4. The facilitator was helpful in response to questions

Agreed strongly	Agreed
15	4

5. There was adequate opportunity to discuss topics

Agreed strongly	Agreed
16	3

Comment:

- Great discussion and skillfully moderated.
- The Group session and ensuing discussion very useful.

- **6. The discussions were interesting**

Agreed strongly	Agreed
13	6

Comment:
Excellent!

- **7. The handouts were informative and easy to understand**

Agreed strongly	Agreed
9	7

Comment: A handout of P.A.P.E.R would have been useful!

- **8. There was a good standard of visual media (e.g. Powerpoint presentation)**

Agreed strongly	Agreed
9	10

- **9. I feel that time allocated at the event was used effectively**

Agreed strongly	Agreed	Disagreed
14	4	1

Comment: No need to read. Online participants could be sent document.

10. Overall I found the event useful

Agreed strongly	Agreed
13	6

11. I would attend other sessions of this type

Agreed strongly	Agreed
14	5

12. How confident do you now feel about making decisions on the area this training has covered?

Very Confident	Confident	Capable
6	11	1

Comment:

More experience needed but excellent session.

13. Is any further information/training required?

- Please don't read the powerpoint slides or handouts.
- No.
- Great work John! Thank you!
- Enjoyed being able to talk in a small group. My favourite training so far! Thanks!

ETHICAL STANDARDS TRAINING - BETHAN EVANS

7:00pm 14 June 2023

A total of 22 Councillors attended, 12 online and 10 in person. In addition, 3 Independent Persons attended; Bill Donnelly, Andrew Armstrong and Jane Clarke. Lastly, Councillor Victoria Kiehl attended from Waverley Borough Council:

1.	Cllr Bilal Akhtar	12.	Cllr Richard Mills
2.	Cllr Dawn Bennett	13.	Cllr Carla Morson
3.	Cllr Lizzie Griffiths	14.	Cllr Danielle Newson
4.	Cllr Gillian Harwood	15.	Cllr Pat Oven
5.	Cllr Catherine Houston	16.	Cllr George Potter
6.	Cllr James Jones	17.	Cllr Merel Rehorst-Smith
7.	Cllr Vanessa King	18.	Cllr Joanne Shaw
8.	Cllr Sandy Lowry	19.	Cllr Howard Smith
9.	Cllr Richard Lucas	20.	Cllr Jane Tyson
10.	Cllr Julia McShane	21.	Cllr Fiona White
11.	Cllr Masuk Miah	22.	Cllr Dominique Williams

9 councillors and 1 IP returned the feedback forms.

1. The time of the event was convenient:

Agreed strongly	Agreed
5	5

Comment:

- The main car park to Council Offices was shut off by 6pm!

2. The event and content were relevant to my role as a councillor:

Agreed strongly	Agreed
8	2

Comment:

- I learned a lot and am clearer on what councillors should know.
- As a member of both Planning and Licensing Committees, highly relevant especially as regards predetermination.

3. I was able to hear the facilitator clearly:

Agreed strongly	Agreed
7	3

4. The facilitator was helpful in response to questions

Agreed strongly	Agreed
7	3

5. There was adequate opportunity to discuss topics

Agreed strongly	Agreed
7	3

6. The discussions were interesting

Agreed strongly	Agreed
6	3

Comment:

- Very practical scenarios and discussions.

7. The handouts were informative and easy to understand

Agreed strongly	Agreed
4	5

Comment:

- No handouts as such, but helpful written scenarios provided.

8. There was a good standard of visual media (e.g. Powerpoint presentation)

Agreed strongly	Agreed
6	4

9. I feel that time allocated at the event was used effectively

Agreed strongly	Agreed
5	5

10. Overall I found the event useful

Agreed strongly	Agreed
5	4

Comment:

- Very practical lecture and scenarios teased out discussions on the relevant issues.
- Very good!

11. I would attend other sessions of this type

Agreed strongly	Agreed	Disagreed
5	4	

12. How confident do you now feel about making decisions on the area this training has covered?

Very Confident	Confident
4	6

Comment:

- Been a Parish Councillor previously so had some experience on this area but this was an excellent presentation, very clear and helpful.

13. Is any further information/training required?

- Refresher over time. An excellent session.
- No.
- I would find a glossary in front of me useful to refer to, thanks.

OTHER LICENSING TRAINING OVERVIEW – MIKE SMITH

7:00pm 19 June 2023

A total of 12 councillors attended, 8 online and 3 in person:

1.	Cllr Amanda Creese	7.	Cllr David Shaw
2.	Cllr Catherine Houston	8.	Cllr Howard Smith
3.	Cllr Tom Hunt	9.	Cllr Katie Steel
4.	Cllr Sandy Lowry	10.	Cllr Jane Tyson
5.	Cllr Pat Oven	11.	Cllr Dominique Williams
6.	Cllr Merel Rehorst-Smith	12.	Cllr Catherine Young

2 councillors returned the feedback forms.

1. The time of the event was convenient:

Agreed strongly	Agreed
1	1

2. The event and content were relevant to my role as a councillor:

Agreed strongly	Agreed
1	1

3. I was able to hear the facilitator clearly:

Agreed strongly
1

4. The facilitator was helpful in response to questions

Agreed strongly	Agreed	Disagreed
1	1	

5. There was adequate opportunity to discuss topics

Agreed strongly	Disagreed
1	1

6. The discussions were interesting

Agreed strongly	Disagreed
1	1

7. The handouts were informative and easy to understand

Agreed strongly	Agreed	Strongly Disagreed

**8. There was a good standard of visual media
(e.g. Powerpoint presentation)**

Agreed strongly
1

9. I feel that time allocated at the event was used effectively

Agreed strongly
1

10. Overall I found the event useful

Agreed strongly
1

11. I would attend other sessions of this type

Agreed strongly
1

**12. How confident do you now feel about making decisions on the
area this training has covered?**

Very Confident
1

13. Is any further information/training required?

Additional comments overall:

Planning Basics Training – (Planning Advisory Services (PAS)) Gilian Macinnes

7:00pm 20 June 2023

A total of 11 Councillors attended, 6 in person and 5 online:

1.	Cllr Bilal Akhtar
2.	Cllr David Bilbé
3.	Cllr Amanda Creese
4.	Cllr Jason Fenwick
5.	Cllr Lizzie Griffiths
6.	Cllr Bob Hughes
7.	Cllr Masuk Miah
8.	Cllr Richard Mills
9.	Cllr Maddy Redpath
10.	Cllr Merel Rehorst-Smith
11.	Cllr Howard Smith

6 councillors returned the feedback forms. The feedback forms used were created by PAS and not the Council, therefore the questions asked are different:

1. Overall, what did you think of the training session?:

Good	Excellent
4	2

2. Did this event help you in your role in Planning decision making?:

No	Yes
0	6

3. If not, please tell us what we could have done to make that so:

4. What were the best bits of the day/s (and why?)

- Expertise based.
- Excellent presenter and material/powerpoint

5. What could have been improved to make the event more beneficial for you?

- A bit quicker.

6. If you had one ask for PAS support over the next year, what would it be?

- Forum for new councillors to discuss planning concerns.

7. Anything else you'd like PAS to know?

HOW TO USE SOCIAL MEDIA – PAUL MARCUS RADIO

7:00pm 28 June 2023

A total of 15 councillors attended, 12 online and 4 in person including 1 Waverley Borough Councillor Michael Higgins:

1.	Cllr Dawn Bennett	9.	Cllr Richard Mills
2.	Cllr Yves de Contades	10.	Cllr Carla Morson
3.	Cllr Lizzie Griffiths	11.	Cllr Danielle Newson
4.	Cllr Stephen Hives	12.	Cllr Merel Rehorst-Smith
5.	Cllr Catherine Houston	13.	Cllr David Shaw
6.	Cllr Vanessa King	14.	Cllr Joanne Shaw
7.	Cllr Sandy Lowry	15.	Cllr Cait Taylor
8.	Cllr Richard Lucas		

4 councillors returned the feedback forms.

1. The time of the event was convenient:

Agreed strongly	Agreed
1	11

2. The event and content were relevant to my role as a councillor:

Agreed strongly	Agreed
11	1

3. I was able to hear the facilitator clearly:

Agreed strongly	Agreed
11	1

4. The facilitator was helpful in response to questions

Agreed strongly	Agreed	Disagreed
11	1	

5. There was adequate opportunity to discuss topics

Agreed strongly	Agreed
11	1

6. The discussions were interesting

Agreed strongly	Agreed
11	1

7. The handouts were informative and easy to understand

Agreed strongly	Agreed	Strongly Disagreed
1		

8. There was a good standard of visual media (e.g. Powerpoint presentation)

Agreed strongly	Agreed
11	1

9. I feel that time allocated at the event was used effectively

Agreed strongly	Agreed
11	1

10. Overall I found the event useful

Agreed strongly	Agreed
11	1

11. I would attend other sessions of this type

Agreed strongly	Agreed
11	1

12. How confident do you now feel about making decisions on the area this training has covered?

Very Confident	Confident
11	1

13. Is any further information/training required?

Additional comments overall:

- Thank you and helpful!
- Excellent and informative presentation and training session.
- Useful content and lots of food for thought thank you!

**DATA PROTECTION AND FREEDOM OF INFORMATION FACILITATED BY
COUNCILLOR NIGEL LONG (LGIU)**

7:00pm 29 JUNE 2023

A total of 14 Councillors attended, 11 online and 3 in person:

1.	Cllr Dawn Bennett	8.	Cllr Sandy Lowry
2.	Cllr Ruth Brothwell	9.	Cllr Merel Rehorst-Smith
3.	Cllr Yves de Contades	10.	Cllr David Shaw
4.	Cllr Lizzie Griffiths	11.	Cllr Joanne Shaw
5.	Cllr Gillian Harwood	12.	Cllr Jane Tyson
6.	Cllr Catherine Houston	13.	Cllr Sue Wyeth-Price
7.	Cllr Vanessa King	14.	Cllr Catherine Young

3 councillors returned the feedback forms.

1. The time of the event was convenient:

Agreed strongly	Agreed	Disagreed Strongly
	111	

Comment:

2. The event and content were relevant to my role as a councillor:

Agreed strongly	Agreed
11	1

3. I was able to hear the facilitator clearly:

Agreed strongly	Agreed
1	11

Comment:

4. The facilitator was helpful in response to questions

Agreed strongly	Agreed
1	11

5. There was adequate opportunity to discuss topics

Agreed strongly	Agreed
	111

Comment:

6. The discussions were interesting

Agreed strongly	Agreed
	111

Comment:

7. The handouts were informative and easy to understand

Agreed strongly	Agreed
-----------------	--------

1	11
---	----

8. There was a good standard of visual media (e.g. Powerpoint presentation)

Agreed strongly	Agreed
1	11

Comment:

9. I feel that time allocated at the event was used effectively

Agreed strongly	Agreed	Disagreed
1	1	1

10. Overall I found the event useful

Agreed strongly	Agreed
1	11

11. I would attend other sessions of this type

Agreed strongly	Agreed	Disagreed
1	1	1

12. How confident do you now feel about making decisions on the area this training has covered?

Very Confident	Confident
11	1

Comment:

13. Is any further information/training required?

Additional comments overall:

**EQUALITY AND INCLUSIVE LEADERSHIP WORKSHOP - COMMITTEE
TRAINING FACILITATED BY MUNIRA THOBANI - LGIU**

7:00pm 4 July 2023

A total of 10 councillors attended:

1.	Cllr Dawn Bennett	6.	Cllr Joanne Shaw
2.	Cllr Amanda Creese	7.	Cllr Jane Tyson
3.	Cllr Richard Lucas	8.	Cllr Fiona White
4.	Cllr Carla Morson	9.	Cllr Dominique Williams
5.	Cllr Merel Rehorst-Smith	10.	Cllr Sue Wyeth-Price

0 councillors returned the feedback forms.

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The Council’s Strategic Framework is set out below. Within the draft programme the link between this framework and each of the planned training events is identified in the column with the appropriate reference.

*Reference	Strategic Framework
V1.	<p>Vision – for the borough A green and thriving town and villages where people have the homes they need, access to quality employment, with strong and safe communities that come together to support those needing help.</p>
Mission – for the Council	
M1	A trusted, efficient, innovative, and transparent Council that listens and responds quickly to the needs of our community.
<u>Three fundamental themes and nine strategic priorities that support our vision:</u>	
VI1.	<p>Homes and Jobs</p> <ul style="list-style-type: none"> • Revive Guildford town centre to unlock its full potential • Provide and facilitate housing that people can afford • Create employment opportunities through regeneration • Support high quality development of strategic sites • Support our business community and attract new inward investment • Minimise opportunities for digital infrastructure improvements and smart places technology.
VI2.	<p>Environment</p> <ul style="list-style-type: none"> • Provide leadership in our own operations by reducing carbon emissions, energy consumption and waste • Engage with residents and businesses to encourage them to act in more environmentally sustainable ways through their waste, travel and energy choices • Work with partners to make travel more sustainable and reduce congestion • Make every effort to protect and enhance our biodiversity and natural environment.
VI3.	<p>Community</p> <ul style="list-style-type: none"> • Tackling inequality in our communities • Work with communities to support those in need • Support the unemployed back into the workplace and facilitate opportunities for residents to enhance their skills • Prevent homelessness and rough-sleeping in the borough

<u>Values for our residents</u>	
VA1.	We will put the interests of our community first.
VA2.	We will listen to the views of residents and be open and accountable in our decision-making.
VA3.	We will deliver excellent customer service.
VA4.	We will spend money carefully and deliver good value for money services.
VA5.	We will put the environment at the heart of our actions and decisions to deliver on our commitment to climate change emergency.
VA6.	We will support the most vulnerable members of our community as we believe that every person matters.
VA7	We will support our local economy.
VA8	We will work constructively with other councils, partners, businesses and communities to achieve the best outcomes for all.
VA9	We will ensure that our councillors and staff uphold the highest standards of conduct.

Priority Scale:
High Priority 1-3
Low Priority 4-6

This plan should

- address development priorities
- set out how, when, where and who is responsible
- take account of access to development opportunities

External Internal

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	Training	Method	Approx Duration	Who	Priority	Potential Date	Lead Officer	Vision/ Mission/ Core Value or Strategic Priority*	Cost
Scrutiny & Challenge									
1.	Overview and Scrutiny Process	Two training sessions have been held to date with John Cade (Institute of Local Government Studies at the University of Birmingham). The Centre for Public Scrutiny (CfPS) is on the councillors' section of the Website to signpost councillors to courses which might be of interest to them: http://www.cfps.org.uk/events/							
Political Understanding									
2.	Local Government Information Unit	The LGiU run an extensive and popular programme of events, training and seminars: http://www.lgiu.org.uk/events/	As defined by Councillors own time	All Councillors	3	N/A	Committee Services	M1 VA1 VA4	Costs stated as detailed on website.

Agenda item number: 10
Appendix 2

	Training	Method	Approx Duration	Who	Priority	Potential Date	Lead Officer	Vision/ Mission/ Core Value or Strategic Priority*	Cost	Agenda item number: 10 Appendix 2
			commitments							
3.	E-Learning Distance Resources	The LGA has produced a series of distance learning materials, covering a number of topics, in the form of workbooks and e-learning modules. Both resources are aimed at all councillors and will be particularly useful to new councillors: https://www.local.gov.uk/our-support/highlighting-political-leadership/community-leadership/councillor-workbooks	As defined by Councillors	All Councillors	3	N/A	Committee Services	M1 VA1 VA4	No costs	
Regulating and Monitoring										
4.	Licensing Updates	A series of three training courses were run as part of the induction, May-July 23, covering the Licensing Act	2 hours	All Councillors	1	Further training to be scheduled as required.	Committee Services	V1 VA1	No Costs	

	Training	Method	Approx Duration	Who	Priority	Potential Date	Lead Officer	Vision/ Mission/ Core Value or Strategic Priority*	Cost
		2003, Taxi and Private Hire and other licensing matters. Further training to be provided as required by Mike Smith, Senior Specialist, Licensing and Community Safety.							
5.	Planning Updates	Please see attached sheet at end of table.	2 hours	All Councillors	1	Currently scheduled in for September 2023 – March 2024	Planning/ Committee Services	V1 VA1	Costs TBC
Communication									
6.	Social media and charring skills	Training sessions were held during the induction period on how to use social media as well as charring skills as well as interview training for the Executive members. Further training to be provided as required.	2 hours	All Councillors	1	Further training to be scheduled as required.	Committee Services	V1 VA1	Costs TBC Agenda item number: 10 Appendix 2

	Training	Method	Approx Duration	Who	Priority	Potential Date	Lead Officer	Vision/ Mission/ Core Value or Strategic Priority*	Cost
Local Leadership									
7.	Understanding the demands of the role of councillor	Within Political Group Mentoring within Political Groups	As necessary	All Councillors	1	As and when required by Councillors	Councillors on the Councillors Development Steering Group	VA1 M1	Internal Resource No financial cost
8.	Dealing with ward issues	Within Political Group Mentoring within Political Groups	As necessary	All Councillors	2	As and when required by Councillors	Councillors on the Councillors Development Steering Group	VA1 M1	Internal Resource No financial cost
9.	Executive Member Training	Leadership Academy Scheme with LGA	2 days	All Executive Councillors	1	As and when required by Councillors	Councillors on the Councillors Development Steering Group	VA1 M1	£1,000 per member plus VAT
Knowledge of the Council									
10.	Personal Safety and Security Workshop for Councillors	In Person to be delivered by Brooks Jordan Training	2 hours	All Councillors	1	To be confirmed	Committee Services	VA1	To be confirmed

Agenda item number: 10
Appendix 2

Planning Training Schedule September 2023 – March 2024

Date	Training	Venue	Cost
11 September at 7pm	Enforcement Briefing	Guildford Borough Council	No cost internal
4 October at 7pm	Viability Training	Guildford Borough Council	Paid for out of planning budget
13 November at 7pm – to be rescheduled to after Christmas.	Ecology, Habitats Regulations, Biodiversity and Net Gain	Waverley Borough Council	TBC
4 December 2023	S106 CIL Infrastructure	Waverley Borough Council	£1,200
7 December 2023	S106 Infrastructure	Guildford Borough Council	£1,200
24 January 2024	Heritage and Conservation	Guildford Borough Council	TBC
19 February 2024	Sustainable Construction/Climate Change (planning, learning and development)	Waverley Borough Council	TBC
20 March 2024	Design/Landscaping/Healthy Environments	Guildford Borough Council	TBC

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Guildford Borough Council

Report to: Corporate Governance and Standards Committee

Date: 16 November 2023

Ward(s) affected: n/a

Report of Director: Transformation & Governance

Author: John Armstrong, Democratic Services & Elections Manager

Tel: 01483 444102

Email: john.armstrong@guildford.gov.uk

Report Status: Open

Corporate Governance and Standards Committee – 12 month rolling Work Programme

1. Executive Summary

- 1.1 The Committee is asked to consider its 12-month rolling work programme, which is set out in Appendix 1.

2. Recommendation to Committee

- 2.1 That the Committee considers and approves its updated 12 month rolling work programme, as detailed in Appendix 1 to this report.

3. Reason(s) for Recommendation:

- 3.1 To allow the Committee to maintain and update its work programme.

4. Exemption from publication

- 4.1. This report and any part of it is not exempt from publication.

5. Purpose of Report

- 5.1 The draft work programme attached as Appendix 1 sets out the items scheduled to be considered by this Committee at its meetings over the next 12 months.

6. Draft work programme

- 6.1 The draft work programme for the Corporate Governance and Standards Committee is set out in Appendix 1 to this report. The timing of the reports contained in the work programme is subject to change, in consultation with the chairman. The items to be considered include decisions to be made by the Executive and/or full Council, with consideration of any comments or recommendations made by this Committee.

7. Financial Implications

- 7.1 There are no financial implications arising directly from this report.

8. Legal Implications

- 8.1 There are no legal implications arising directly from this report.

9. Human Resource Implications

- 9.1 There are no human resources implications arising directly from this report.

10. Background Papers

None

11. Appendices

Appendix 1: Corporate Governance and Standards Committee 12 month rolling work programme

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

29 November 2023 (special meeting)

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Annual Governance Statement 2022-23	To adopt the Council's Annual Governance Statement 2022-23	Corporate Governance and Standards Committee On the recommendation of: Executive: 19 October 2023	Victoria Worsfold 01483 444834
Monitoring of S.106 Contributions	To consider a further monitoring report on S.106 Contributions as requested by the Committee at its July meeting.	Corporate Governance and Standards Committee	Rosie Trussler 01483 444463
Financial Monitoring 2023-24: Period 6 (April to September 2023)	To note the results of the Council's financial monitoring for the period April to September 2023	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Internal audit 2023-24 progress report	To consider the internal audit progress report and progress on the internal audit plan	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Corporate Risk Register	To consider the six-monthly review of the Corporate Risk Register	Corporate Governance and Standards Committee	Andrea Barnett 01483 444062
Whistleblowing: Guildford Borough Council Bereavement Services	To consider a whistleblowing report.	Corporate Governance and Standards Committee	Susan Sale 01483 444022
Equality, Diversity and Inclusion Policy	To consider an update on the revised, Policy, and associated action plan	Corporate Governance and Standards Committee	Ali Holman 01483 444008

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

18 January 2024

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Capital and investment strategy (2024-25 to 2027-28)	To comment on various recommendations to the Executive and Council	Council: 7 February 2024 On the recommendation of: Corporate Governance and Standards Committee Executive: 25 January 2024	Victoria Worsfold 01483 444834
Financial Monitoring 2023-24 Period 8 (April to November 2023)	To note the results of the Council's financial monitoring for the period April to November 2023	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Internal audit 2023-24 progress report	To consider the internal audit progress report and progress on the internal audit plan	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Safeguarding	To consider report detailing progress against the approved Strategic Safeguarding Grp Action Plan 2023-24	Corporate Governance and Standards Committee	Sam Hutchison Tel: 01483 444385
Whistle-blowing Policy	To consider the Annual Report 2022-23	Corporate Governance and Standards Committee	Susan Sale 01483 444022
Joint Constitutions Review Group	To consider any recommendations arising from the first meeting of the JCRG on 30 November 2023	Council: 7 February 2024 On the recommendation of: Corporate Governance and Standards Committee	Susan Sale 01483 444022

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

(Wednesday) 13 March 2024

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Annual report of the Monitoring Officer regarding misconduct allegations	(1) To note the cases dealt with; and (2) To advise the Monitoring Officer of any areas of concern upon which they would like further information and/or further work carried out.	Corporate Governance and Standards Committee	Monitoring Officer 01483 444991
Financial Monitoring 2023-24 Period 10 (April 2023 to January 2024)	To note the results of the Council's financial monitoring for period April 2023 to January 2024	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Internal audit 2023-24 progress report	To consider the internal audit progress report and progress on the internal audit plan	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Internal Audit Plan for 2024-25	To consider the draft 2024-25 internal audit plan	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Internal Audit Charter for 2024-25	To consider the Internal Audit Charter for 2024-25	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Equality Scheme Action Plan	Annual monitoring report on the implementation of the actions in the Equality Scheme action plan approved in June 2021	Corporate Governance and Standards Committee	Ali Holman 01483 444008

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

June 2024

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Review of Task Groups reporting to the Committee	To review the work carried out by the task groups over the past 12 months and work to be carried put in the next 12 months and appoint councillors to the groups	Corporate Governance and Standards Committee	John Armstrong 01483 444102
Freedom of Information Compliance - Annual Report 2023-24	To consider the annual report for 2023-24 on the Council's performance in dealing with Freedom of Information requests.	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Monitoring of S.106 Contributions	To note the six-monthly monitoring report on S.106 Contributions	Corporate Governance and Standards Committee	Rosie Trussler 01483 444463
Planning Appeals	To consider the annual monitoring report of the Council's performance at appeals against refusal of planning permission.	Corporate Governance and Standards Committee	Claire Upton-Brown 01483 444316
External Audit Plan and Audit Update and Fee Letter 2022-23	To approve the external audit plan for 2022-23, and to note the content of the External Auditor's update report and make any appropriate comments. To consider the planned audit fee.	Corporate Governance and Standards Committee	To be confirmed
Corporate Risk Register	To consider the six-monthly review of the Corporate Risk Register	Corporate Governance and Standards Committee	Andrea Barnett 01483 444062

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

July 2024

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Capital and Investment Outturn Report 2023-24	To submit any comments to the Executive, prior to determination by full Council.	Council: October 2024 On the recommendation of: Corporate Governance and Standards Committee Executive: August 2024	Victoria Worsfold 01483 444834
Revenue Outturn Report 2023-24	To submit any comments to the Executive.	Executive: August 2024 On the recommendation of: Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Housing Revenue Account Final Accounts 2023-24	To submit any comments to the Executive	Executive: August 2024 On the recommendation of: Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Financial Monitoring 2024-25 Period 2 (April/May 2024)	To note the results of the Council's financial monitoring for the period April/May 2024	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Internal Audit Annual Report 2023-24.	To consider the Internal Audit Annual Report 2023-24	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293

Agenda item number: 11
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CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

September 2024

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Financial Monitoring 2024-25 Period 4 (April to July 2024)	To note the results of the Council's financial monitoring for the period April to July 2024	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Annual Governance Statement 2023-24	To adopt the Council's Annual Governance Statement 2023-24	Corporate Governance and Standards Committee On the recommendation of: Executive: September 2024	Victoria Worsfold 01483 444834
Data Protection and Information Security Update Report	To consider the annual update on compliance with statutory requirements	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Annual Report of the Corporate Governance & Standards Committee	To consider the Annual Report for 2023-24	Council: October 2024 On the recommendation of: Corporate Governance and Standards Committee	John Armstrong 01483 444102
Councillor Training and Development Update	To consider a report from the Councillors' Development Steering Group relating to councillor training and development	Corporate Governance and Standards Committee	Sophie Butcher 01483 444056

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

November 2024

Regulation of Investigatory Powers Act 2000	To consider an annual report on the exercise of powers under the Regulation of Investigatory Powers Act 2000	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Monitoring of S.106 Contributions	To note the six-monthly monitoring report on S.106 Contributions	Corporate Governance and Standards Committee	Rosie Trussler 01483 444463
Freedom of Information Compliance update	To consider the update report on the Council's performance in dealing with Freedom of Information requests (April to September 2024)	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072
Financial Monitoring 2024-25: Period 6 (April to September 2024)	To note the results of the Council's financial monitoring for the period April to September 2024	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Internal audit 2024-25 progress report	To consider the internal audit progress report and progress on the internal audit plan	Corporate Governance and Standards Committee	Iona Bond Southern Internal Audit Partnership 07784 265293
Corporate Risk Register	To consider the six-monthly review of the Corporate Risk Register	Corporate Governance and Standards Committee	Andrea Barnett 01483 444062

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE: 12 MONTH ROLLING WORK PROGRAMME

Unscheduled

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
2021-22 Audit Findings Report: Year ended 31 March 2022	To note the external auditor's findings and management's response in the Action Plan	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
Final 2021-22 Audited Statement of Accounts	To approve the 2021-22 Statement of Accounts	Corporate Governance and Standards Committee	Victoria Worsfold 01483 444834
External Audit Plan and Audit Update and Fee Letter 2021-22	To approve the external audit plan for 2021-22, and to note the content of the External Auditor's update report and make any appropriate comments. To consider the planned audit fee.	Corporate Governance and Standards Committee	To be confirmed
External Audit Plan and Audit Update and Fee Letter 2022-23	To approve the external audit plan for 2022-23, and to note the content of the External Auditor's update report and make any appropriate comments. To consider the planned audit fee.	Corporate Governance and Standards Committee	To be confirmed

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