

GUILDFORD BOROUGH COUNCIL

Minutes of an extraordinary meeting of Guildford Borough Council held in the Council Chamber, Millmead House, Millmead, Guildford, on Wednesday 30 August 2023

The Mayor, Councillor Masuk Miah
* Councillor Sallie Barker MBE (in the chair)

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| * Councillor Bilal Akhtar | * Councillor Steven Lee |
| * Councillor Phil Bellamy | Councillor Sandy Lowry |
| * Councillor Dawn Bennett | * Councillor Richard Lucas |
| * Councillor Joss Bigmore | * Councillor Julia McShane |
| * Councillor David Bilbe | * Councillor Richard Mills |
| Councillor Honor Brooker | * Councillor Carla Morson |
| * Councillor James Brooker | * Councillor Danielle Newson |
| Councillor Philip Brooker | * Councillor Patrick Oven |
| * Councillor Ruth Brothwell | Councillor George Potter |
| * Councillor Yves de Contades | * Councillor Maddy Redpath |
| * Councillor Amanda Creese | * Councillor Merel Rehorst-Smith |
| Councillor Geoff Davis | * Councillor David Shaw |
| * Councillor Jason Fenwick | Councillor Joanne Shaw |
| * Councillor Matt Furniss | * Councillor Katie Steel |
| Councillor Angela Goodwin | * Councillor Howard Smith |
| * Councillor Lizzie Griffiths | * Councillor Cait Taylor |
| * Councillor Gillian Harwood | * Councillor Jane Tyson |
| * Councillor Stephen Hives | * Councillor James Walsh |
| * Councillor Catherine Houston | * Councillor Fiona White |
| * Councillor Tom Hunt | * Councillor Dominique Williams |
| Councillor Bob Hughes | * Councillor Keith Witham |
| * Councillor James Jones | * Councillor Sue Wyeth-Price |
| * Councillor Vanessa King | Councillor Catherine Young |

*Present

Honorary Freeman Keith Churchouse was also in attendance.

CO38 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of The Mayor, Councillor Masuk Miah, and Councillors Dawn Bennett, Honor Brooker, Phillip Brooker, Geoff Davis,

Angela Goodwin, Bob Hughes, Sandy Lowry, George Potter, Joanne Shaw, and Catherine Young, and from Honorary Aldermen Catherine Cobley, Jayne Marks, Terence Patrick, Tony Phillips, Lynda Strudwick, and Jenny Wicks.

CO39 DISCLOSURES OF INTEREST

There were no disclosures of interest.

CO40 MINUTES

The minutes of the meeting of the Council held on 25 July 2023 were approved as a correct record. The Deputy Mayor signed the minutes.

CO41 MAYOR'S COMMUNICATIONS

On behalf of the Mayor, the Deputy Mayor thanked everybody who attended the Guildford Cricket Festival on Sunday 20 August. The Mayor had said that it was a wonderful day and a great game to watch.

The Mayor also wished to remind councillors about the forthcoming Mayor of Guildford's Charity Adult Football Tournament to be held on Sunday, 10 September from 10am to 3pm at Stoughton Recreation Ground. All were welcome to come along to this community event, which would include a barbecue, Indian food and drink, a bouncy castle, face painting, classical Indian dance demonstrations, and other entertainment.

CO42 LEADER'S COMMUNICATIONS

Heritage Open Days 2023

This year's Heritage Open Days would take place from Friday 8 to Sunday 10 September, and had been kindly sponsored by Charles Stanley Wealth Managers. The event had also received £1,000 from the UK Government through the UK Shared Prosperity Fund.

All the locations with events over the Heritage Open Days weekend offered free entry, many of which were allowing free access to areas that were otherwise closed to the public.

This diverse programme of events would include:

- walks and talks by the award-winning Guildford Town Guides
- museums and churches
- educational institutions
- galleries
- historic buildings

- a free family trail in town

Car Free Day 2023

Guildford's Car Free Day would be held on Sunday 24 September between 10am and 4.30pm. It would be a day of celebrations and free family fun promoting a 'Greener Guildford' supported by the UK Shared Prosperity Fund.

Events planned would include market stalls, street food, live music and street play for children, together with lots of information and activities about how residents can help tackle climate change and be part of a 'Greener Guildford'.

Ash Road Bridge drop-in sessions

Drop-in sessions would be held next month for residents in Ash who would like to find out more about the construction of the Ash Road Bridge. The sessions would be held at the Small Hall at the Ash Centre, on:

- Thursday 21 September 2023 from 3pm to 8pm
- Friday 22 September 2023 from 3pm to 8pm

Residents could be directed to the Ash Road Bridge page on the Council's website, which would be updated regularly during the construction of the bridge.

In response to a question as to the cost to the Council of the Car Free Day on 24 September 2023, taking into account funding from the UK Shared Prosperity Fund, the Leader indicated that the details would be circulated.

The following questions were asked about the Ash Road Bridge drop-in sessions:

- (a) Who would be attending the drop-in sessions?

Response: Representatives of Volker Fitzpatrick and the Council (including the Deputy Leader and Lead Councillor for Regeneration) would be present.

- (b) Will councillors be informed of the questions asked by the public at the drop-in sessions, and the answers given?

Response: The project team would seek to capture frequently asked questions that arose during the day. However, no assurance could be given that every question and response would be captured. Responses to frequently asked questions would be uploaded to the Council's website.

- (c) Will ward councillors be provided with the information on the presentation in advance?

Response: Although the detail of the presentation had not yet been finalised, officers could share designs and the materials intended for presentation at the drop-in sessions with ward councillors in advance.

- (d) How will the Council ensure that residents unable to attend either drop-in session are kept informed in a timely manner?

Response: Residents unable to attend could access a specific website which would contain all the relevant information. It was also anticipated that further letter drops to residents would be made as the project progressed. It was also understood that Volker Fitzpatrick had provided an e-mail address for residents with specific questions to ask.

CO43 PUBLIC PARTICIPATION

No requests to speak or ask a question had been received from the public.

CO44 QUESTIONS FROM COUNCILLORS

No questions on notice had been received from councillors.

CO45 FINANCIAL RECOVERY PLAN - UPDATE REPORT

Councillors were reminded that, at its budget meeting in February 2023, the Council approved the 2023-24 budget with a £3.3m shortfall which required further work to remove this gap, with the fallback position being the deployment of usable reserves.

The delayed audit of the 2020-21 accounts had identified errors relating to accounting for COVID grants and the Collection Fund, which took place in 2021. These were both sums which were due to be repaid to the Government in 2021-22 rather than sums which were available for use by the Council. This meant that the level of usable reserves was around £20m less than had been thought when the 2023-24 budget was set.

There had been an overspend of £6.4m on the General Fund budget outturn position for 2022-23, and this had therefore further reduced the sums available to the Council.

An updated Medium Term Financial Plan (MTFP) position had been presented to the Council at its meeting on 25 July 2023, which had set out the key issues and the position in which the Council was now left, which was a remaining in-year deficit of £1.7m and a budget gap of £18.3m over the MTFP period to 2026-27.

The report had therefore concluded that the Council was facing a potential s114 report if actions were not agreed to bring this situation back in to balance by October 2023.

The October report would set out the significant work required to avoid the other potential s114 trigger-point which was the statutory requirement to set a balanced budget in February 2024.

Over the past year, the Council had commissioned several due diligence workstreams to examine the issues identified in more detail. This had been done through a number of expert organisations such as the Chartered Institute of Public Finance & Accountancy (CIPFA), LG Futures, Arlingclose, and Savills, together with additional interim and experienced support within the Finance Team.

This work had helped to clarify the current position and set the baseline from which the Council now needed to work. It had also provided options for the Council to consider. Consideration and then implementation of these options would form an integral part of the Financial Recovery Plan.

The latest work completed was a review of the 2022-23 outturn position and Period 4 monitoring against the revised budget used for the July 2023 MTFP update. This had shown that a number of the key areas of overspend in 2022-23 were continuing in the current financial year and had the potential to take the Council into a far greater in-year deficit than the £1.64m set out in the July 2023 report.

Whilst a fully developed recovery plan would be presented to Council in October, sufficient work had been completed to provide an update report to this meeting. The first issue of the Financial Recovery Plan had set out some immediate actions to help reduce the in-year deficit, the workstreams proposed to aid development of the next MTFP and a work schedule for improvements in the financial procedures and processes within the Council.

The Lead Councillor for Finance and Property, Councillor Richard Lucas, proposed and the Leader of the Council, Councillor Julia McShane seconded the motion to endorse the first issue of the Financial Recovery Plan.

During the debate, the following concerns were expressed:

- Whether the Financial Recovery Plan, at this stage, should be “endorsed” given that the implications of certain workstreams were not yet known.
- The need for urgency around implementation of the workstreams and securing the necessary savings.

- The scale of the areas of work described within the financial services workstream to improve the financial governance within the Council.

Having considered the motion, the Council

RESOLVED: That the Council

- (1) endorses the first issue of the Financial Recovery Plan attached as Appendix 1 to the report submitted to the Council; and
- (2) notes that a fully developed plan will be presented to the Council in October 2023.

Reason:

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

CO46 APPOINTMENT OF INTERIM SECTION 151 OFFICER

Mr Richard Bates left the meeting for the consideration of this item of business.

The Council noted that Section 151 of the Local Government Act 1972 required local authorities to make arrangements for the proper administration of their financial affairs and to appoint a S151 Officer, also known as a Chief Finance Officer, to have responsibility for those arrangements.

Due to the departure of Peter Vickers, the current Executive Head of Service and Section 151 Officer, a replacement appointment was required to ensure that both councils could continue to meet their statutory requirements.

The nature of the recruitment market and timescales to appoint to the permanent role and also ensure both councils had the S151 Officer in place meant that both an interim and permanent appointment solution were required.

Interviews and technical assessments were carried out with shortlisted candidates for the interim appointment, and the successful candidate for the role was identified as Richard Bates.

Due to the requirement to provide continuity, Mr Bates had been appointed to the interim role of Executive Head of Finance on 17 July 2023; however, approval to the S151 element of the role was required from both councils on the formal recommendation from the Joint Appointments Committee (JAC).

At its meeting held on 14 August 2023, the JAC had recommended unanimously to both councils that Richard Bates be appointed as the Interim Section 151 Officer.

The Leader of the Council, Councillor Julia McShane proposed and the Deputy Leader, Councillor Tom Hunt, seconded a motion to appoint Mr Bates as the Interim Section 151 Officer.

During the debate, councillors asked for details of the length and cost of the contract with Hays and information regarding the turnover of Chief Finance Officers in recent years. The Council was informed that the contract was for six months and that details of the cost and information regarding turnover would be circulated to all councillors.

The Council also noted the structural arrangement at Guildford whereby the role of Section 151 Officer was covered at the Executive Head of Service level rather than as a director. This was not an unusual arrangement in local government and the Chief Executive assured the Council that the Section 151 Officer had a direct reporting line to the Chief Executive in respect of the discharge of their statutory functions.

Having considered the motion, the Council

RESOLVED: That Richard Bates be appointed as the Interim Section 151 Officer for Waverley Borough Council and Guildford Borough Council.

Reasons:

- Section 151 of the Local Government Act, 1972 required that local authorities have in place arrangements for the proper administration of their financial affairs.
- Richard Bates was a qualified Accountant and experienced local authority Chief Finance Officer. He had held the S151 Officer role at Dorset County Council and interim S151 Officer at Mendip District Council.

CO47 WEYSIDE URBAN VILLAGE DELEGATIONS

Councillors noted that, in January 2023, the Council had approved a series of recommendations to enable the delivery of the Weyside Urban Village to continue whilst further work was undertaken to consider all mitigation options available to address the potential forecast financial deficit. The recommendation

included specific reference to this information being considered by Full Council in July 2023.

The Council was informed that it had not been possible to submit a report to Council in July 2023 due to ongoing work by Officers on the mitigation options. The Council considered a report which sought to regularise the delegations required to continue the delivery of the project in advance of the aforementioned report and financial forecast being considered by Full Council later this year.

Upon the motion of the Deputy Leader of the Council, Councillor Tom Hunt, seconded by the Leader of the Council, Councillor Julia McShane, the Council

RESOLVED: That the Council agrees

- (1) To the continuation of the project until Officers have completed the required due diligence outlined in the 16 January 2023 report, as follows, and reported back to Full Council later this year:
 - To provide alternative risk assessed option appraisals other than to proceed with the original Full Council approved scheme, including all possible mitigations and alterations to the current funding and specifications, indicating by use of a range of values where specific data is not available, and a full explanation of assumptions with reasons, sufficient to enable Members to make a fully informed decision on how it wishes to proceed.
 - To update the project with the latest assumptions, indices and valuations and report back to Council.

- (2) To delegate to the Strategic Director of Place, in consultation with the Lead Councillor for Regeneration, and Lead Councillor for Finance and Property, authority to enter into such other contracts and legal agreements connected with Weyside Urban Village as may be appropriate in compliance with Procurement Procedure Rules and within the approved budget.

Reasons:

- To ensure that statutory service agreements and construction contracts can be entered in to for the delivery of services and infrastructure for the development and to ensure that Homes England Housing Infrastructure Fund (HIF) milestones are achieved.

- To ensure that the Council can perform its obligations under the Thames Water Utilities Limited (TWUL) agreement.

Item of Urgent Business

In accordance with Section 100B(4) Local Government Act 1972, the Mayor agreed that this matter should be considered at this meeting as an item of urgent business by virtue of the special circumstances described below.

Special Circumstances

The special circumstances in this matter, that has led the Mayor to agree to take the matter as an urgent item at this meeting, despite the item being open to public inspection for 3 clear days before the meeting, rather than 5, are:

- (a) that previous advice given by external solicitors advising that work relating to Weyside could continue under the previous delegations as there was an implicit authority had been reviewed by the Council's internal solicitors, who did not share the same view; and
- (b) In light of the need for additional contracts and agreements to be signed in order to comply with the Council's obligations in advance of a further report being presented to Council later this year, this report needed to be considered on an urgent basis.

The meeting finished at 7.51 pm

Signed
Mayor

Date