

## Executive

\* Councillor Julia McShane (Chairperson)

\* Councillor Tom Hunt (Vice-Chair)

\* Councillor Angela Goodwin

\* Councillor Carla Morson

\* Councillor Catherine Houston

\* Councillor George Potter

\* Councillor Richard Lucas

\* Councillor Merel Rehorst-Smith

\*Present

Councillors Yves de Contades and Bob Hughes were in remote attendance.

### **EX23 Apologies for Absence**

None.

### **EX24 Local Code of Conduct - Disclosable Pecuniary Interest**

No disclosable pecuniary interests were declared.

Councillor Richard Lucas declared a non-pecuniary interest in relation to Agenda Item 5 – Financial Recovery Plan – October Update Report, specifically the proposal to discontinue the Parish Councils Concurrent Functions Grants scheme. Councillor Lucas was a member of Ash Parish Council.

Councillor Carla Morson declared a non-pecuniary interest in relation to Agenda Item 5 – Financial Recovery Plan – October Update Report, specifically the proposal to discontinue the Parish Councils Concurrent Functions Grants scheme. Councillor Morson was a member of Ash Parish Council.

Councillor Merel Rehorst-Smith declared a non-pecuniary interest in relation to Agenda Item 5 – Financial Recovery Plan – October Update Report, specifically the proposal to discontinue the Parish Councils Concurrent Functions Grants scheme. Councillor Rehorst-Smith was a member of Effingham Parish Council.

### **EX25 Minutes**

The minutes of the meeting held on 24 August 2023 were confirmed as a correct record. The Chairman signed the minutes.

### **EX26 Leader's Announcements**

**New round of funding through Crowdfund Guildford**

The Leader announced that a new round of funding through Crowdfund Guildford opened this week. To support our communities, the Council was offering up to £5,000 for community led projects that helped Guildford thrive. This funding was supported by the UK Share Prosperity Fund.

**First Gold win in the RSPCA PawPrints Awards**

The Leader congratulated the Licencing team for winning a Gold Animal Activity Licencing Award in the RSPCA PawPrints Awards. This award was a great reflection of the hard work of our officers, who ensured our standards remained high when it came to the welfare of animals in the borough.

**Ash Road Bridge drop-in sessions**

The Leader announced that over 400 people had visited the Ash Road Bridge drop-in sessions at the Ash Centre on 21 and 22 September. There had been a lot of interest in the new bridge and how the roads would look in future, as well as how the work was being carried out. Residents could find out more by searching for "Ash Road Bridge" on the Council's website.

**Electoral Registration - Annual Canvass**

Last weekend our canvassers started following up on households that had not responded to our annual canvass emails and letters. The Leader noted that the quickest and easiest way for electors to update their details was online, but the paper forms could also be used.

**Encouraging young people to register to vote**

The Leader announced that the Electoral Services team had visited Guildford College and the University of Surrey to make sure students knew how to register to vote. The team were on hand to answer questions and explain that young people could register to vote from the age of 16.

**Burpham Neighbourhood Area and Forum Consultation**

There was still time for residents to have their say about the proposed boundary changes and forum until midday on 12 October 2023. More information could be found in the newsroom on the Council's website.

**Turnaround in planning performance**

Following intensive efforts to improve our planning performance, the Leader was pleased to announce that The Minister of State for Housing and Planning would not designate the Council for its planning performance on non-major applications. The Leader thanked the Joint Executive Head of Planning

Development and her team for all their hard work that had gone into achieving this. The Lead Councillor for Planning, Environment and Climate Change, Councillor George Potter also thanked the team for this impressive turnaround in performance, which was entirely down to their hard work and dedication and commented that there was still significant work to do to maintain and improve performance.

## **EX27 Financial Recovery Plan - October Update Report**

The Executive noted that the 2023-24 budget agreed by the Council in February 2023 had included a £3.3m shortfall which required further work to remove the gap. The fallback position had been to deploy usable reserves. The Executive also noted that 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. Consequently, the level of usable reserves was around £20m less than had been thought when the 2023-24 budget was set in February 2023. In addition, an overspend of £6.4m on the General Fund had further reduced the sums available to the Council.

An updated Medium Term Financial Position (MTPF) was presented to the Council in July 2023 which set out the key issues and the full financial position. In summary, there was a remaining in-year deficit of £1.7m and a budget gap of £18.3m over the MTFP period to 2026-27 and a potential s114 report if actions were not agreed to bring the situation back in to balance.

The Executive considered a report setting out progress to date which was introduced by the Lead Councillor for Finance and Property. The meeting heard that sufficient progress had been made since July 2023 to avoid the need for a s114 report to be issued at this point but that significant work was still required to produce a balanced budget for 2024-25 and beyond. The report included a proposal to withdraw the Parish Councils Concurrent Functions Grants scheme from 1 April 2024 which would contribute an annual saving of £90,000.

Effingham Parish Council had written to the Executive with regard to the proposed withdrawal of the grants scheme and ways and means in which parish councils generally could increase their income either via the precept or other funding opportunities were noted. It was further noted that most other councils had withdrawn this particular grant scheme some years ago and it was unusual for the Council to have maintained it for such a long period of time. The Council convened a regular liaison meeting with parish council clerks where such matters

could be discussed. Under a s.114 notice situation Government commissioners would be installed to take such decisions.

There was praise for the Council’s Finance team, the interim s.151 officer and the lead councillor for having realised sufficient savings to bring the Council to a balanced budget in-year position. There was also recognition that there would be further difficult decisions ahead to maintain that position whilst continuing to deliver services to residents.

The interim s151 officer addressed the meeting to explain that not only had a balanced in-year budget been achieved but that the Council could have assurance around that work. A period 4 monitoring report had been delivered to the Corporate Governance and Standards Committee the previous week. The Executive heard that a monitoring report would be generated on a monthly basis and circulated to budget holders, councillors and staff to maintain that assurance.

Therefore, the Executive

RESOLVED:

- (1) to approve the second issue of the Financial Recovery Plan and to recommend that it be endorsed by Council at its meeting on 10 October 2023;
- (2) to approve the discontinuation of the Parish Councils Concurrent Functions Grants scheme from 1 April 2024; and
- (3) to note that the Interim s151 Officer had advised that sufficient progress had been made in the current financial year to avoid a s114 report being issued at this stage.

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.

The meeting finished at 6.20 pm

Signed .....

Date .....

Chairman