

Guildford Borough Council agrees its budget for 2024 to 2025

At last night's Full Council meeting (7 February 2024), councillors approved a balanced budget for 2024 to 2025. Residents and businesses in Guildford will be reassured to hear that our Chief Financial Officer has not needed to issue a Section 114 notice at this time.

The budget sets out how we will continue to deliver our services over the next three financial years. Our Joint Management Team and Executive leadership are committed to the financial recovery plan that we've been implementing since August 2023.

We are pleased that we have not needed to stop or reduce any statutory services in the current financial year. We've also continued all services to our most vulnerable residents. We have worked hard to find savings and increase income in a way that continues to protect these services in the next financial year. We continue to work towards improving our financial sustainability for the medium and longer term.

Savings and income generation

We've removed over £96m from the capital programme (long term spending on maintaining our buildings, land, and equipment). We've increased some of our fees and charges to cover our costs and inflationary pressures. Having reviewed our contracts, we have also identified potential savings of nearly £1.5 million.

Asset disposal programme

We're aiming to generate £50 million to reduce the budget shortfall during the medium-term financial plan (MTFP to April 2027). We're currently reviewing our property portfolio to identify which assets can be analysed further with a view to disposal. This gives us enough time to consider how we use our assets to deliver services and how the asset performs its financial objectives.

Our goal is to achieve best value whilst minimising impact on the delivery of statutory services and loss of income.

Extra spending

We have kept extra spending to a minimum. Financing our debt represents the largest increase in the next financial year. Other growth items include meeting new statutory requirements, the annual pay award and costs relating to our collaboration project with Waverley Borough Council.

We have balanced this year's budget, but we still need to reduce our MTFP budget gap by £2.4 million. So, some difficult decisions still lie ahead. We will make sure that the governance improvements we've made and our financial recovery plan, stay on track.

Leader of the Council, Cllr Julia McShane said:

"I would like to thank the finance team and other officers who have worked so hard to balance our budget for the next financial year. Feedback from opposition councillors who were part of the Financial Recovery Executive Working Group has also been very helpful.

"As we move towards the next stage of our financial recovery, working in the best interests of our residents continues to be our priority. We have some tough decisions ahead to ensure our ongoing financial sustainability. With everyone working together, we will succeed."

Lead Councillor for Finance and Property, Cllr Richard Lucas said:

"I'm extremely pleased that Full Council approved this year's budget and that we will not need to issue a Section 114 notice.

"Since issuing the first draft of our financial recovery plan in August last year, we've worked tirelessly to fill the budget gap for 2023 to 2024 and the upcoming financial year.

"Of course, I realise that there are still a lot of difficult choices that we'll need to make during this year to balance the Medium-Term Financial Plan.

"Having strengthened our finance team and implemented better financial controls, we're in a much stronger position now. I'm also confident that our collaboration with Waverley Borough Council will generate efficiencies and substantial savings for both councils."