

## FINANCE & INVESTMENT ADVISORY COMMITTEE

Minutes of the meeting held on 23 January 2020 commencing at 7.00 pm

Present: Cllr. Dickins (Vice Chairman) (In the Chair)

Cllrs. Abraham, Bayley, Carroll, Clack, Clayton, Penny Cole, Dickins and Reay

Apologies for absence were received from Cllrs. Grint, Harrison and Hogarth

Cllr. Perry Cole was also present.

### 32. Minutes

Resolved: That the Minutes of the meeting of the Committee held on 21 November 2019 be approved and signed by the Chairman as a correct record.

### 33. Declarations of Interest

No additional declarations of interest were made.

### 34. Actions from Previous Meeting

The action from the previous meeting was noted.

### 35. Referral from Cabinet or the Audit Committee

There were none.

### CHANGE IN AGENDA ITEM ORDER

With the agreement of the Advisory Committee, the Chairman brought forward consideration of agenda items 10 and 11 to immediately after agenda item 7 and advised he would do his Portfolio Holders update prior to the work plan.

### 36. Discretionary Rate Relief

The Business Rates Manager presented a report which set out the proposals for awarding discretionary rate relief for 2020/21 to ratepayers covered by applications made in 2019/20, and provided an update on the local discretionary rate relief scheme which would be in its final year of operation in 2020/21 and on the retail discount scheme in operation for 2019/20 and 2020/21.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That it be recommended to Cabinet that

- a) the proposals for granting relief from business rates for 2020/21 set out in Appendix B to the report, be approved;
- b) the estimated level of local discretionary rate relief to be awarded in 2020/21 as set out in paragraph (26) of eh report, be noted; and
- c) the level of retail discount granted for 2019/20 as set out in paragraph (29) of the report and the approach for implementing the retail discount for 2020/21, be noted.

37. Treasury Management Strategy 2020/21

The Principal Accountant presented the report which sought Members comments on a report seeking adoption of the Treasury Management Strategy 2020/21. Members noted that no major changes had been made to the investment strategy for 2020/21 except for the addition of Bond, Equity, Property and Multi-Asset Funds as available investment instruments. These were collective investment vehicles, intended as longer term investments over which returns could significantly outperform fixed term investments with banks or building societies. However, returns over the short term could be volatile and there were entry and exit fees.

It was also noted that due to the current uncertainties in the financial markets and the implications of Brexit, the Council may need to consider amending its strategy during the year.

Members were asked whether they thought they would benefit from some training from the Council's treasury advisors.

*Action 1: Possible training from Treasury Advisors to be discussed with the Chairman and Portfolio Holder.*

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the report be noted and forwarded to Cabinet.

38. The Capital Strategy 2020/21

The Principal Accountant presented the report which presented the Capital Strategy report 2020/21 which was intended to provide a high level, long term overview of how capital expenditure, capital financing and treasury management

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activity contribute to the provision of services. It also provided an overview of how the associated risk was managed as well as the implications for future financial sustainability.

### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the report be noted and forwarded to Cabinet.

### 39. Financial Results 2019/20 - to the end of November 2019

The Head of Finance presented a report on the Council's 2019/20 financial results to the end of November 2019, which showed the year end position forecast to be a favourable outturn variance of £40,000, which represented 0.3% of the total net revenue budget.

### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the report be noted, and forwarded to Cabinet.

### 40. Financial Performance Indicators 2019/20 - to the end of November 2019

Members considered a report detailing the internally set performance figures as at the end of November 2019.

### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the report be noted.

### 41. Risks and Assumptions for Budget 2020/21

The Head of Finance presented a report which set out the risks and assumptions built in to the 2020/21 draft budget that would be presented to Cabinet on 4 February and Council on 25 February.

The financial assumptions included in the financial plan as at 9 January were as follows:

- Government Support: - no Revenue Support Grant or New Homes Bonus in 2020/21.
- Council Tax: 2% all years.
- Business Rates Retention safety-net in 2019/20 plus 2% in later years.
- Interest Receipts: £250,000 in all years.
- Pay Costs: 2.0% in all years.
- Non-pay costs: 2.25% in all years.

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- Income: 2.5% in all years except for off-street car parks which are an average of 3.5% from 2019/20 -23/24.

The Chief Officer Finance & Trading advised that at Cabinet on 9 January 2020 (Minute 51 (d)), it had been resolved that a Council Tax increase of £5 or the referendum limit, whichever was the greater, for 2020/21 be recommended to Council with the excess above 2% put into a new 'Net Zero Transition Fund'. He could now confirm that the greater amount was an increase of £5 for a Band D property which equated to a 2.3%. The budget report to Cabinet and Council would show a balanced self-sufficient 10 year budget.

The Committee was also advised that the assumption for Interest receipts had been increased to £300,000 in all years.

### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the report be noted.

### 42. Capital Programme and Asset Maintenance 2019/22

The Head of Finance presented a report which set out the proposed Capital and Asset Maintenance programmes for 2020/23 together with proposed funding.

### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the report be noted and forwarded to Cabinet.

### 43. Property Investment Strategy Update Report

The Chief Officer Finance & Trading presented the report which provided an update on the progress of the Property Investment Strategy to date and looked at the future direction of the strategy. Members took the opportunity to review the currently agreed criteria.

### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That

- a) the report be noted; and
- b) no changes to the current criteria were recommended.

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### 44. Update from Portfolio Holder

The Portfolio Holder advised that budget discussions were ongoing and a lot of the work he had been involved with was on the agenda. He reported that there would be a report on the White Oak Leisure Centre at the next meeting, pending planning permission. He also advised Members that the interim Audit Manager had now left and the recruitment process for the Audit Manager was underway.

### 45. Work Plan

The work plan was noted with the addition of the 'White Oak Leisure Centre: New build and operator procurement contract awards' report to the next meeting.

THE MEETING WAS CONCLUDED AT 8.05 PM

CHAIRMAN