


17 September 2020 at 7.00 pm

Despatched: 15.09.2020

Cabinet

Supplementary Agenda

	Replacement Page	Contact
5. Treasury Management Annual report 2019/20	(Page 11)	Roy Parsons Tel: 01732 227204
6. Financial Results 2020/21 - to the end of July 2020	(Page 37)	Alan Mitchell Tel: 01732227483
7. Financial Prospects and Budget Strategy 2021/22 and beyond	(Pages 67 - 68)	Adrian Rowbotham Tel: 01732 227153
8. Bartholomew Way Park, Swanley	(Page 91)	Adrian Rowbotham Tel: 01732 227153
		
9. Burlington Mews Update	(Page 99)	Adrian Rowbotham Tel: 01732 227153

If you wish to obtain further factual information on any of the agenda items listed above, please contact the named officer prior to the day of the meeting.

Should you need this agenda or any of the reports in a different format, or have any other queries concerning this agenda or the meeting please contact Democratic Services on 01732 227000 or democratic.services@sevenoaks.gov.uk.

Item 5 - Treasury Management Annual report 2019/20

The attached report was considered by the Finance & Investment Advisory Committee on 8 September 2020. The relevant Minute extract is below.

Finance & Investment Advisory Committee (8 September 2020, Minute 62)

The Principal Accountant presented the report which provided the customary review of investment and borrowing activity during 2019/20 as required by the Council's Financial Procedure Rules. The report outlined the strategy adopted during the year, showed the position of the investment and debt portfolios at the beginning and the end of the year and gave details of how the investment fund had performed in comparison with previous years and against various benchmarks.

The overall return on the Council's investments had been above budget in 2019/20 by approximately £54,300 and the percentage return exceeded the recognised benchmarks. Whilst returns exceeded budget, inflation continued to outpace investment returns, leading to the gradual erosion of capital in real terms. The economic situation both globally and within the Eurozone remained volatile, and would have consequences for the UK economy. Treasury management in the past financial year had been conducted against this background and with a cautious investment approach.

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 the Treasury Management Annual Report for 2019/20, be approved.

Item 6 - Financial Results 2020/21 - to the end of July 2020

The attached report was considered by the Finance & Investment Advisory Committee on 8 September 2020. The relevant Minute extract is below.

Finance & Investment Advisory Committee (8 September 2020, Minute 6)

The Head of Finance presented a report on the Council's 2020/21 financial results to the end of July 2020, which showed the year-end position was currently forecast to be an unfavourable variance of £3.3m which was largely due to COVID-19; and represented 21.2% of the Council's net service expenditure budget totalling £15,581,000. This position did not include any recovery of lost income as part of the Government's income compensation scheme.

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 the report be noted.

Item 7 - Financial Prospects and Budget Strategy 2021/22 and beyond

The attached report was considered by the Finance & Investment Advisory Committee on 8 September 2020. The relevant Minute extract is below.

Finance & Investment Advisory Committee (8 September 2020, Minute 65)

The Deputy Chief Executive and Chief Officer Finance & Trading presented the report which was the first report of the Council's budget setting process for 2021/22 onwards. It set out the financial pressures the Council was likely to face in the coming years and suggested an appropriate strategy, utilising the 10-year budget framework which had proved successful to date and put the Council in a much stronger financial position than most other Councils.

Cabinet were being requested at their next meeting to shorten the budget process this year so that the Council's budget was set in November 2020 instead of February 2021, which would enable any changes to be implemented with effect from 1 April 2021 and the period of uncertainty for staff minimised.

The annual budget gap included in the report was £826,000 which was largely due to Covid-19 (£8.3m over the ten-year period). Growth and savings proposals were to be presented to the Advisory Committees and Cabinet, and their recommendations would be considered as part of the process to remove the gap.

The report was intended to start the debate and the assumptions would be updated if more accurate information became available. The main message was that the intention remained that the Council was aiming to continue to be financially self-sufficient and have a balanced 10-year budget but the process would be more challenging this year due to the financial impact of the Covid-19 pandemic.

Members discussed the report and took the opportunity to ask questions of clarity. It was noted that the risks and assumptions report would come to the next committee meeting should Cabinet approve the accelerated budget process at their meeting on 17 September 2020.

It was noted that there had been a communications campaign on Council Tax recovery advising the public to get in touch and that there would shortly be another as it was felt that this had assisted in the higher than anticipated collection rate despite the current situation caused by the pandemic.

Public Sector Equality Duty

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

Resolved: That Cabinet be advised that the Finance & Investment Advisory Committee

- a) supported the continuation of the ten-year financial planning approach;
- b) supported the accelerated budget process in preparation of the financial year;
- c) recognised the significant risk and uncertainties associated with many aspects of the budget and that Cabinet should be cogniscent of that; and
- d) recognised one of those uncertainties was over the Council Tax collection rate which the Committee would continue to monitor over the coming months.

Item 8 - Bartholomew Way Park, Swanley

The attached report was considered by the Finance & Investment Advisory Committee on 8 September 2020. The relevant Minute extract is below.

Finance & Investment Advisory Committee (8 September 2020, Minute 66)

The Deputy Chief Executive and Chief Officer Finance & Trading presented the report which sought Members' views on a proposal from Swanley Town Council to transfer the Bartholomew Way Park to Swanley Town Council at nil cost with the view to Swanley Town Council developing the site for a new Swanley Health Hub.

Members discussed the recommendation which was that the proposal be rejected as if the park was transferred a green space in the district would be lost and there were a number of other development sites in Swanley that might be suitable for a health hub.

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 the proposal by Swanley Town Council to transfer Bartholomew Way Park from Sevenoaks District Council to Swanley Town Council, be rejected.

Item 9 - Burlington Mews Update

The attached report was considered by the Finance & Investment Advisory Committee on 8 September 2020. The relevant Minute extract is below.

Finance & Investment Advisory Committee (8 September 2020, Minute 6)

The Deputy Chief Executive & Chief Officer Finance & Trading presented the report which provided an update on the development of the houses in Burlington Mews.

Due to the impact of the Covid-19 pandemic on the housing market, the Council had taken the opportunity to revise its approach to selling the houses to protect its investment in the properties. In contrast to the sales market, the lettings market had strengthened partly due to lockdown encouraging more home buyers to test living outside city centres in larger properties. The original intention had been to put all the houses up for sale, however the new approach was to proceed with a mix of sales and lettings to increase the options available as the situation evolves. The more flexible approach of letting some of the houses meant the houses could be sold if/when house prices increased.

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 the revised approach for the disposal of the houses in Burlington Mews contained in the report, be supported.

