

## FINANCE ADVISORY COMMITTEE

Minutes of the meeting held on 14 November 2017 commencing at 7.00 pm

Present: Cllr. Scholey (Chairman)

Cllr. Eyre (Vice Chairman)

Cllrs. Mrs. Bayley, Esler, Eyre, Kelly, Lake, Pearsall and Pett

Apologies for absence were received from Cllrs. C. Barnes and Bosley

Cllr. Grint was also present.

### 12. Minutes

Resolved: That the Minutes of the meeting of the Finance Advisory Committee held on 6 June 2017 be approved and signed by the Chairman as a correct record.

### 13. Declarations of Interest

No additional declarations of interest were made.

### 14. Actions from Previous Meeting

There were none.

### 15. Update from Portfolio Holder

The Portfolio Holder, and Chairman, advised that:

- He had been working closely with the Finance Team to achieve a balanced 2018/19 budget;
- Central government had announced that councils could keep 100% of NNDR in return for extra responsibilities. This Council was part of a Kent group which had requested to be one of the pilot schemes and would know if successful before Christmas.;
- Of the approved £25M into the Property Investment Strategy (PIS), only one investment has been made on two houses in Westerham as further suitable ventures had yet to be identified;
- He had attended a meeting of the Quercus7 Trading Company Board
- The construction of the Hotel was on schedule and Buckhurst 2 Car Park had been granted planning permission. With regard to redeveloping Bevan Place, Swanley, work was continuing to produce a business plan which delivered the financial criteria and was physically acceptable. Work was ongoing on 96 High Street, Sevenoaks, looking at the total package and improving the bus station as part of the development was an aspiration;

## Finance Advisory Committee - 14 November 2017

- Council would be considering a report on the creation of an Affordable Housing Company on 21 November 2017.
- He advised that he had attended the Scrutiny Committee and one of the items of interest was redeveloping Bevan Place, Swanley as explained above.

### 16. Referral from Cabinet or the Audit committee

There were none.

### 17. Budget 2018/19: Service Dashboards and Service Change Impact Assessments (SCIAs)

The Chief Finance Officer presented the report which set out updates to the 2018/19 budget within the existing framework of the 10-year budget and savings plan.

Informed by the latest information from Government and discussions with Cabinet, it was proposed that the Council continued to set a revenue budget which assumed no funding from Government through the Revenue Support Grant or New Homes Bonus. This would result in the Council continuing to be financially self-sufficient as set out in its Corporate Plan.

To achieve this aim and to ensure a balanced budget position over the next 10-year period, whilst also increasing the Council's ability to be sustainable beyond that time, a savings requirement of £100,000 per annum was included. Other pressures may come out later in the budget process, such as when the Government published its Autumn Budget on 22 November or when the Local Government Finance Settlement was announced in December. There may therefore be a requirement for further savings. Officers would continue to monitor these pressures and report the latest position to Cabinet in December.

New savings items had been proposed in the report for services applicable to this Advisory Committee. Members were given the opportunity to discuss and put forward any growth and savings suggestions.

Members looked at the suggested growth and savings items put forward the previous year and agreed to put them forward again, especially exploring moving from Argyle Rd to a lower cost site and incentivising Members to go paperless i.e. no more paper agendas.

#### 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 savings proposals identified in Appendix D applicable to the Advisory Committee (SCIAs 5, 6, 7 and 8) be agreed;

## Finance Advisory Committee - 14 November 2017

b) the following suggestions be discussed further

### Growth

- Redevelop housing in obsolete shopping centres

### Savings

- Explore options regarding moving from Argyle Rd to a lower cost site
- Explore development potential at Sevenoaks Bus Station
- Review Estates Management to increase net income
- More incentives for Members to go paperless.

### 18. Internal Audit Service Update

The Principal Auditor presented the report which gave Members an update on the internal audit service.

The Chairman of the Audit Committee addressed the Committee advising that the Audit Committee had commended the work of the team and that he was very pleased with the timely and efficient manner in which reviews were now undertaken.

Resolved: That the report be noted.

### 19. Treasury Management Mid-Year Update 2017/18

The Principal Accountant presented the report which gave details of treasury activity in the first half of the current financial year, recent developments in the financial markets and fulfils the reporting requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management.

In response to questions he advised that local authorities tended not to have a credit rating but were generally regarded as secure and it was important to have a good spread of investments. The Chief Finance Officer confirmed that there was flexibility with the budget to adapt to the changing financial climate.

Resolved: That Cabinet be recommended to approve the Treasury Management Mid-Year Update for 2017/18.

### 20. Financial Performance Indicators 2017/18 - to the end of September 2017

The Acting Head of Finance presented a report which detailed the internally set performance indicators as at the end of September 2017, which Members considered. In response to questions she clarified that many local authorities paid within 30 days but the internally set target of 21 days was in relation to the Councils debt recovery procedures, whereby a first reminder is sent after 21 days. An update was provided highlighting that the outstanding sundry debt levels, as at the end of October, had been reduced and were now in line with target levels.

## Finance Advisory Committee - 14 November 2017

### 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.

### 21. Financial Results 2017/18 - to the end of September 2017

The Acting Head of Finance presented a report on the Council's 2017/18 financial results to the end of September 2017, which showed the year end position forecast to be a favourable variance of £103,000; this represented just under 1.0% of net service expenditure.

### 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

- a) to note the report; and
- b) that the actions of the Finance team and service areas be commended, as the outstanding debt levels had been reduced in line with targets, as at the end of October 2017.

### 22. Work Plan

The work plan was noted.

THE MEETING WAS CONCLUDED AT 7.59 PM

CHAIRMAN