

## CABINET

Minutes of the meeting held on 12 September 2019 commencing at 7.00 pm

Present: Cllr. Fleming (Chairman)

Cllr. Dickins (Vice Chairman)

Cllrs. McArthur, Piper and Dyball

An apology for absence was received from Cllr. Thornton

Cllrs. Coleman, Mrs Hunter and Pender were also present.

### 18. Minutes

Resolved: That the minutes of the meeting of Cabinet held on 11 July 2019 be approved and signed as a correct record.

### 19. Declarations of interest

There were no additional declarations of interest.

### 20. Questions from Members

There were none.

### 21. Matters referred from Council, Audit Committee, Scrutiny Committee, CIL Spending Board or Cabinet Advisory Committees

There were none.

### 22. Bank Account Signatories

Members considered a report which sought approval for a change to the list of officers authorised to sign cheques and sanction banking instruments on behalf of the Council, following the recent appointment of the new Senior Principal Accountant. It was noted that officers authorised to sign cheques within the Finance team had signing rights over all bank accounts except the Imprest Account held in the offices of the Legal Team.

### Public Sector Equality Duty

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

## Cabinet - 12 September 2019

Resolved: That pursuant to Financial Procedure Rules 4.73 and 4.47, Mrs Jessica Booth, Senior Principal Accountant, be authorised to sign cheques and sanction banking instruments on behalf of the Council.

### 23. Treasury Management Annual Report 2018/19

The Finance and Investment Portfolio Holder presented the report which provided the review of investment and borrowing activity during 2018/19 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 debit portfolios at the beginning and end of the year and gave details of how the investment fund had performed in comparison with previous years and against various benchmarks.

The Principal Accountant explained that overall return on the Council's investments was above budget in 2018/19 by approximately £113,700 and the percentage return exceeded recognised benchmarks.

He advised that the Finance and Investment Advisory Committee had considered the same report and had agreed to recommend it to Cabinet noting that whilst returned exceeded the budget, inflation continued to outpace investment returns, leading to the gradual erosion of capital in real terms.

#### Public Sector Equality Duty

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

Resolved: That the Treasury Management Annual Report for 2018/19 be approved and that Cabinet endorses the fact that there will be a review of the Treasury Management Statement in early 2020.

### 24. Financial Results 2019/20 - to the end of July 2019

The Finance and Investment Portfolio Holder presented the report on the Council's financial results 2019/20 to the end of July 2019, which showed the year end position was currently forecast to be a favourable variance of £44,000, this represented just over 0.3% of the net service expenditure budget totalling £15,251,000. Cabinet noted that this figure had been incorrectly recorded in the minutes of the Finance and Investment Advisory Committee and in the report.

The Chief Officer Finance and Trading indicated that this favourable variance included £90,000 of interest from loans to Quercus 7 for property investments. If this was excluded there would be an unfavourable variance forecast of £46,000.

He advised that the Finance and Investment Advisory Committee had considered the same report and had agreed to recommend it to Cabinet.

#### 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.

25. Financial Prospects and Budget Strategy 2020/21 and Beyond

The Finance and Investment Portfolio Holder presented the first report for the 2020/21 budget setting process advising that it would be the tenth year of using the current Financial Planning Strategy that included the 10-year budget which had proved successful to date and placed the Council in a much stronger financial position than most other councils.

The Chief Officer Finance and Trading stated that the report was intended to start the debate and the assumptions would be updated as more accurate information become available during the process. The main message within the report was that the Council was able to remain financially self-sufficient. The 10-year budget continued to include no Revenue Support Grant (RSG) or New Homes Bonus (NHB) in any year as the council continued to be no longer reliant on direct Government funding.

Any amounts that were received from these sources were placed into the Financial Plan Reserve which could be used to support the 10-year budget by funding invest to save initiatives and support for the Property Investment Strategy. Using the funding for these purposes would result in additional year on year income that would not be impacted by Government decisions.

Members agreed the last 10-year budget in February and the only changes that had been made since then were rolling the 10-year budget on for one year and updating base figures. No changes to assumptions had been made at this stage.

The 10-year budget approved by Full Council in February included the need for £100,000 of new savings or additional income each year but only £93,000 is required in 2020/21 as additional savings were made last year. The Chairman of Cabinet requested that the annual net savings target of £100,000 be kept in place for the full 10-year period and that the 'Business Rates Retention' and 'Property Investment Strategy Income' assumptions be reviewed.

The Chief Officer Finance and Trading set out that over the next couple of months the Cabinet Advisory Committees would be presented with their Service Dashboards and Service Change Impact Assessments (SCIAs) and a budget update report would then go to Cabinet in December to include their comments.

He advised that the Finance and Investments Advisory Committee had considered the same report and had agreed to recommend it to Cabinet.

Public Sector Equality Duty

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

## Cabinet - 12 September 2019

Resolved: That

- a) Cabinet endorses the ten-year financial planning approach and principles set out in the report;
- b) the Advisory Committees be requested to review the Service Dashboards and advise Cabinet of possible growth and savings options; and
- c) Officers be requested to continue to review the assumptions as detailed within the report and report back to Cabinet on 5 December 2019. Particular focus should be on the 'Net Savings/Income', 'Business Rates Retention' and 'Property Investment Strategy Income' assumptions.

THE MEETING WAS CONCLUDED AT 7.49 PM

CHAIRMAN

### IMPLEMENTATION OF DECISIONS

This notice was published on 16 September 2019. The decisions contained in Minutes 22, 23, 24 and 25 take effect immediately.