

## FINANCE ADVISORY COMMITTEE

Minutes of the meeting held on 15 November 2016 commencing at 7.00 pm

Present: Cllr. Scholey (Vice Chairman in the Chair)

Cllrs. Mrs. Bayley, Bosley, Eyre, Kelly, Lake, Pett and Scholey

Apologies for absence were received from Cllrs. Cooke, Esler, Scott and Searles

### 23. Minutes

Resolved: That the Minutes of the meeting of the Finance Advisory Committee held on 6 September 2016 be approved and signed by the Chairman as a correct record.

### 24. Declarations of Interest

No additional declarations of interest were made.

### 25. Actions from Previous Meeting

There were none.

### 26. Update from Portfolio Holder

The Vice Chairman and Portfolio Holder for Finance advised that since becoming Portfolio holder he had met the new Non Executive Directors of Quercus7 and the first Board meeting had been held that afternoon.

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

There were none.

### CHANGE IN ORDER OF AGENDA ITEMS

With the Committee's consent, the Chairman changed the agenda item order, taking agenda item 7 before 6 followed by 12.

### 28. Treasury Management Mid-Year Update 2016/17

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

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of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management. An update on the Municipal Bonds Agency was also provided.

Resolved: That it be recommended to Cabinet

- a) that the Treasury Management Mid-Year Update for 2016/17, be approved; and
- b) to sign up to the Municipal Bonds Agency's Framework Agreement, and delegated authority be given to the Section 151 Officer and the Monitoring Officer to sign the documents, as appropriate, on behalf of the Council.

### 29. Budget 2017/18: Review of Service Dashboards and Service Change Impact Assessments (SCIAs)

The Chief Finance Officer presented the report which set out updates to the 2017/18 budget within the existing framework of the 10-year budget and savings plan. The report also presented proposals that had been identified which needed to be considered, together with further suggestions made by the Advisory Committees, before finalising the budget for 2017/18.

The major message of the report was that the Council was able to remain financially self-sufficient.

The budget agreed by Council in February included £100,000 of new savings or additional income per annum and the Advisory Committees were being asked to make suggestions to Cabinet that would achieve the £100,000 required for next year. Two Member Budget Training sessions had recently taken place with the intention of increasing, or refreshing, Members knowledge of the budget process and to enhance the discussions that would take place at this round of Advisory Committees.

The Chief Finance Officer reminded Members that over £6m had already been agreed to be saved between 2011/12 and 2017/18 made up of over 130 items and over £10m had been saved since 2005/06.

Members reviewed and discussed Appendix D which contained the growth and savings proposals put forward by the Portfolio Holder and Chief Officers, and the Service Change Impact Assessments (SCIAs) in Appendix E.

Members also considered and gave their individual ideas for growth and savings items. The Head of Finance summarised the suggestions put forward and Members considered whether there was anything they wanted taken forward as potential growth or savings suggestions. A number of growth and savings items were suggested and discussed:

#### 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 the Bus Station
- Review Estates Management to increase net income
- More electronic mail rather than post

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty and that individual equality impact assessments had been completed for all Service Change Impact Assessments (SCIAs) to ensure the decision making process was fair and transparent.

Resolved: That it be recommended to Cabinet that

- a) the growth proposals identified in Appendix D applicable to the Advisory Committee (SCIA 22) be agreed;
- b) the savings proposals identified in Appendix D applicable to the Advisory Committee (SCIAs 23,24,25 and 26) be agreed;
- c) 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 the Bus Station
- Review Estates Management to increase net income
- More electronic mail rather than post

30. Risk Based Verification

The Head of Revenues and Benefits presented a report which sought approval of a Risk Based Verification Policy.

The Chairman moved and it was

Resolved: That, under section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting when considering Appendix A of agenda item 12 above, on the grounds that likely disclosure of exempt information is involved as defined by Schedule 12A, paragraph 7 (information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime).

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Members discussed and asked questions concerning the exempted appendix.

### Public Sector Equality Duty

Members noted the considerations given to impacts under the Public Sector Equality Duty.

Resolved: That it be recommended to Cabinet that the Risk Based Verification Policy attached as a confidential Appendix A to the report, be approved.

### 31. Financial Performance Indicators 2016/17 - to the end of September 2016

The Head of Finance presented a report which detailed the internally set performance indicators as at the end of September 2016, which Members considered.

### 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.

### 32. Financial Results 2016/17 - to the end of September 2016

The Head of Finance presented a report on the Council's financial results 2016/17 to the end of September 2016, which showed the year end position forecast was currently an adverse variance of £284,000.

She advised Members that some additional revenue would be incurred this year as a consequence of longer term capital projects, and net income from Investment Property would be less than originally budgeted due to refurbishment works and a rent free period, though additional income over the ten year budget period would more than compensate for this. She suggested that Members might wish to consider requesting Cabinet to approve a supplementary estimate to cover the revenue consequences arising from the Investment Strategy.

### Public Sector Equality Duty

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

The Chairman moved and it was

Resolved: That it be recommended to Cabinet

- a) to note the report; and
- b) that a supplementary estimate of £210,000 be approved in respect of timing issues arising from the Council's Property Investment Strategy.

33. Pension Fund valuation

The Chief Finance Officer presented the report and referred to the tabled [valuation results](#). The Chairman was confident further information would be known in time for the budget setting process.

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.

34. Work Plan

The work plan was noted subject to the Service Update being deleted from the next meeting but added to the meeting in May 2017, and Revenues and Benefits being asked to do the Service Update in March 2017. The possibility of an information report in May on the end of 2016/17 financial outturn variances was also discussed.

THE MEETING WAS CONCLUDED AT 8.24 PM

CHAIRMAN

