

Minutes of the Meeting of the FINANCIAL POLICY PANEL held on 30 November 2021

PRESENT -

Councillor Colin Keane (Chair); Councillors John Beckett (attending virtually), Kate Chinn, Alex Coley (attending virtually), Nigel Collin, Neil Dallen, Jan Mason and Clive Woodbridge

Officers present: Brendan Bradley (Chief Accountant) and Sue Emmons (Senior Accountant)

4 DECLARATIONS OF INTEREST

No declarations of interest were made in relation to Items of business to be discussed at the meeting.

5 MINUTES

The Minutes of the previous meeting of the Financial Policy Panel held on 7 September 2021 were agreed as a true record and signed by the Chair.

6 INTERIM TREASURY MANAGEMENT PERFORMANCE

The Panel received a report on treasury management performance for the first six months of 2021/22.

The Panel also received a training presentation from the Council's external treasury management advisers, Link Asset Services.

The following matters were raised by Councillors:

- a) That interest returns in the current environment are low, but this is reflective of the wider economic environment;
- b) That officers should consider opportunities to place fixed term deposits, where cash flow permits and the counter party meets the Council's criteria in the Treasury Management Strategy, to secure greater yield;
- c) That the interest rate used for budgeting purposes should be set at a lower level.

Following consideration, the Panel resolved to:

- (1) Receive the presentation from Link Asset Services – Treasury Solutions;**
- (2) Note the performance on return of investments for the first six months of 2021/22;**
- (3) Note the current investment decisions being made within the terms sets out in the Treasury Management Strategy.**

7 REVIEW OF RESERVES

The Panel received a report presenting a review of the Council's reserves and financial standing.

The following matters were raised by Councillors:

- a) The overall level of reserves and reasons for holding, in the Property Income Equalisation Reserve, a minimum balance of one year's rental income for each property funded by borrowing;
- b) The policy for commuted sums held by the Council;
- c) The objectives of the Residential Property Acquisition Fund and initiatives it could be used to fund.

Following consideration, the Panel resolved to:

- (1) Consider and review whether the overall level of reserves and contingencies are appropriate for the sound management of the Council's finances;**
- (2) Review the individual reserve and contingency balances and consider whether to support the recommended minimum balances in the report;**
- (3) Support the transfer of the uncommitted balance on the Interest Equalisation Reserve back to the Corporate Projects Reserve.**

8 CAPITAL PROGRAMME 2022/23

The Panel received a report summarising the proposed 2022/23 capital programme and seeking approval for it to be submitted to Council in February 2022.

Following consideration of the schemes, the Panel resolved to agree:

With the advice of the Capital Member Group to submit the following 2022/23 capital programme to Council for approval in February 2022, subject to the relevant policy committees first approving project appraisals:-

- (1) Prioritised schemes totalling £112,000, funded from a budgeted revenue contribution of £87,000; and repairs and renewals reserve of £25,000;**
- (2) A Disabled Facilities Grant scheme totalling £600,000, subject to external funding sources.**

The meeting began at 6.00 pm and ended at 7.45 pm

COUNCILLOR COLIN KEANE (CHAIR)