



Finance Sub-Committee

Minutes of a meeting held on Wednesday 31 January 2018 at 10.00am, East Northamptonshire House, Thrapston

Present: Councillors: Steven North (Chairman)
David Brackenbury
Roger Glithero JP
Glenvil Greenwood-Smith
David Jenney
Richard Lewis

Officers: David Oliver (Chief Executive)
Mike Deacon (Head of Environmental Services)
Greg Macdonald (Head of Economic and Commercial Development)
Michelle Drewery (Finance Manager)

1.0 APOLOGIES FOR ABSENCE

1.1 Apologies for absence were received from Glenn Hammons, Chief Finance Officer.

2.0 MINUTES

2.1 The minutes of the meeting of the Finance Sub-Committee held on 4 December 2017 were approved and signed by the Chairman.

3.0 DECLARATIONS OF INTEREST

3.1 No interests were declared.

4.0 QUESTIONS UNDER PROCEDURE RULE 10.3

4.1 There were no questions submitted under Procedure Rule 10.3.

5.0 MEDIUM TERM FINANCIAL STRATEGY AND PLAN

5.1 The Finance Manager presented a report setting out the Council's Medium Term Financial Strategy (MTFS) and Plan (MTFP) 2018/19 to 2021/22; outlining the Revenue Budget 2018/19, the Capital Programme 2018/19 to 2027/28 and the Treasury Management Strategy 2018/19 and refreshing the Medium Term Financial Strategy 2017/18 to 2020/21 approved by Council in March 2017.

- 5.2 During 2017/18, a review of the capital programme had been carried out between Members and Heads of Service, where a number of recommendations for amendment to the programme had been approved. Due to declining capital resources and significant changes to the programme, a further review of the programme would be carried out with Members of the Sub-Committee and Corporate Management Team to ensure that there was sufficient justification for all items to be included in the Capital Programme in the future. The outcome of the review would be reported back to the Sub-Committee with recommendations for any changes required.
- 5.3 The implications of a national 2% pay offer, additional funds provided for New Homes Bonus and the collection fund surplus had been incorporated into the report.
- 5.4 It was noted that, since the report had been written, further changes had emerged which would be reflected in an updated report to be submitted the Policy and Resources Committee. Section 6 of the Capital Strategy would also be revised to reflect that priorities for Capital Investment would be in accordance with the approved Corporate Plan.

RESOLVED: That

- i) the report be noted.
- ii) Councillors Steven North, Richard Lewis and David Brackenbury be appointed to review the Capital Programme and Development Pool with the Corporate Management Team.
- iii) Subject to the necessary amendments being made, the report be referred to the Policy and Resources Committee for consideration at its meeting on 12 February 2018.

(Reason: To ensure that the Sub-Committee is aware of the forecast financial position; so that in due course the council complies with its constitution in setting its budget)

RESOLVED TO RECOMMEND TO THE POLICY AND RESOURCES COMMITTEE:

That the Committee recommends that Full Council invites the Leader of the Council to propose the approval of the following as part of the budget setting process:

- Medium Term Financial Strategy (MTFS)
- Revenue Budget 2018/19
- Approved Capital Programme for 2018/19 (Development Pool items are subject to the review as set out within the report)
- Minimum level of Reserves and Earmarked Reserves
- Treasury Management Strategy 2018/19
- Capital Strategy 2018/19 (as amended)
- Fees and Charges 2018/19

(Reason: To ensure that in due course the council complies with its constitution in setting its budget)

RESOLVED TO RECOMMEND TO FULL COUNCIL:

That, subject to the determination of the level of Council Tax for the 2018/19 financial year, the Council approves the following as part of the budget setting process:

- Medium Term Financial Strategy (MTFS)
- Revenue Budget 2018/19
- Approved Capital Programme for 2018/19 (Development Pool items are subject to the review set out within the report)
- Minimum level of Reserves and Earmarked Reserves
- Treasury Management Strategy 2018/19
- Capital Strategy 2018/19 (as amended)
- Fees and Charges 2018/19

(Reason: To ensure that the council complies with its constitution in setting its Budget)

6.0 ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF RESERVES

6.1 The Finance Manager presented a report prepared by the Council's Section 151 Officer in accordance with Section 25(1) of the Local Government Act 2003. The Act required the Chief Financial Officer (Section 151 Officer under the Local Government Act 1972) to report to the Council when setting its Council Tax on the robustness of the estimates in the budget and the adequacy of the proposed financial reserves. Section 25(2) of the 2003 Act required the Council to have regard to this report in approving the budget and Council Tax.

RESOLVED: That

- i) the Finance Sub-Committee, Policy and Resources Committee and Council note the S151 Officer's opinion set out in Section 8 of the report and the content of the report be carefully considered prior to recommending the approval of the Council's Medium Term Financial Strategy 2018/23, the Revenue Budget for 2018/19, Capital Strategy, Capital Programme 2018/28 and Treasury Management Strategy 2018/19.

(Reason: To ensure the Council complies with statute in setting its Budget.)

- ii) the Finance Sub-Committee, Policy and Resources Committee and Council recognise the work undertaken over the last five years to ensure the Council has a balanced budget and is in a good financial position to face the medium term uncertainties.

(Reason: To ensure the Council has a stable and sustainable Medium Term Financial Strategy and Plan)

7.0 BUDGET MONITORING TO 31 DECEMBER 2017

7.1 The Finance Manager presented a report providing an overview on the forecast revenue position against the approved budgets for the period ended 31 December 2017, highlighting any significant under or overspending and identifying the impact on the year end position. The estimated outturn for services for the year was an underspend of approximately £24,000.

7.2 In the previous report to the Sub-Committee for the period to 31 October 2017, an estimated underspend of £119,000 had been reported. The changes were mainly due to a lower estimate in planning fee income as well as reflecting reduced salary savings in ICT, some of which had been used to offset additional short term costs required to support the ongoing transformation project, together with timing delays in realising the

full savings in the current financial year.

- 7.3 The Sub-Committee considered that the proposed provisions for planning services activity required greater input from Members and the proposals should be reviewed prior to consideration by the Policy and Resources Committee.

RESOLVED: That

- i) the latest revenue, capital and reserves positions for 2017/18 be noted.

(Reason: This is for information/monitoring purposes)

- ii) the collection and write off performance for sundry debtors, local taxation and benefit overpayments, set out in Appendix 3 to the report, be noted.

(Reason: This is for information / monitoring purposes)

- iii) the contribution from reserves of £40,000 to the Women's Tour 2018 be approved, to come from Delivering the Corporate Plan Reserve and Projects and Other Investment Reserve at £20,000 each as set out in paragraph 2.30 and 2.31 of the report.

(Reason: To follow the formal process for approval of use of earmarked reserves)

- iv) subject to a review by the Head of Planning Services, the Leader and Deputy Leader of the Council and the Chairmen of the Policy & Resources and Planning Policy Committees, the contribution from the Delivering the Corporate Plan Reserve of up to £65,000 for Planning Service activities during 2017/18 be approved and the MTFs be amended to include an additional sum of up to £170,000 in 2018/19 before being referred to the Policy and Resources Committee on 12 February 2018 (as set out in paragraphs 2.32-2.34 of the report).

- v) the review above be concluded before the meeting of the Policy and Resources Committee to be held on 12 February 2018.

- vi) a verbal update on the outcome of the review be provided to the Policy and Resources Committee at its meeting on 12 February 2018 and the final MTFs be revised to include the outcome of the review for submission to Council on 26 February 2018.

(Reason: To follow the formal process for approval of use of earmarked reserves)

8.0 TREASURY MANAGEMENT REPORT TO 31 DECEMBER 2017

- 8.1 The Finance Manager presented a report outlining the Treasury Management position for the period ended 31 December 2017.

RESOLVED:

That the Treasury Management performance for the period to 31 December 2017 in financial year 2017/18 be noted.

(Reason: In accordance with CIPFA guidance and best practice in Treasury Management)

9.0 THANKS TO OFFICERS

- 9.1 The Sub-Committee thanked the authors of the financial reports submitted to the meeting for their work and for the clarity of the information presented.

10.0 COMMERCIALISATION STRATEGY DRAFT

- 10.1 The Head of Commercial and Economic Development presented the above strategy document which would support delivery of the Corporate Plan and the Medium Term Financial Strategy within the context of embedding a culture of being an enterprising Council. The Strategy would help to generate the income needed to deliver the Council's Corporate Plan and associated outcomes and would for the most part, focus on income generation but would also influence activity covered by other Council policy.
- 10.2 It was considered that Section 1.2 of the draft strategy (Drivers for Commercialisation) should refer to a *forecast* funding gap and a wider remit for commercial activity.

RESOLVED TO RECOMMEND TO FULL COUNCIL:

That subject to the Head of Economic and Commercial Development being authorised to make any necessary wording changes to the Strategy following consultation with the Chairman of the Policy and Resources Committee, the Commercialisation Strategy attached at Appendix 1 be approved.

(Reason: To drive forward the delivery of the Commercialisation Strategy)

11.0 EXCLUSION OF PRESS AND PUBLIC

RESOLVED:

That the public and press be excluded from the meeting during consideration of the following item of business because exempt information, as defined under paragraph 3 of Schedule 12A of the Local Government Act 1972, may be disclosed.

12.0 WOMEN'S TOUR OF BRITAIN 2018 STEERING GROUP - TERMS OF REFERENCE

- 12.1 The Head of Environmental Services presented a report seeking approval for the terms of reference for a joint Steering Group to oversee the delivery of the 150km Stage 2 of the Women's Tour of Britain cycle event.

RESOLVED: That

- i) the terms of reference for the Women's Tour of Britain 2018 Steering Group attached to the report be approved.
- ii) Councillors Steven North and Richard Lewis be appointed to represent ENC on the Steering Group.

- iii) a budget of up to £40,000 to cover the ENC contribution to the costs of staging the event be approved.

(Reason: To ensure ENC has clear governance arrangements in place to oversee local preparations for the event)

Chairman