

Finance and Assets Policy Development Advisory Group
2 NOVEMBER 2020

Present: Councillors: Ray Dawe (Chairman), Matthew Allen, Tony Bevis, Paul Clarke, Michael Croker, Brian Donnelly, Frances Haigh, Richard Landeryou and Stuart Ritchie

Apologies: Councillors: Nigel Jupp and Gordon Lindsay

9 **NOTES OF PREVIOUS MEETING**

The notes of the previous meeting held on 14 September were received.

10 **MEDIUM TERM FINANCIAL STRATEGY**

The Director of Corporate Resources updated the Group on the Council's financial position and the extent to which the pandemic had effected it. Since the report to Cabinet in September, the level of uncertainty had increased yet further with the government's announcement of a second Lockdown throughout November.

This would have an impact on income streams, including those from parking, commercial rents, leisure services and business rates. Costs had also increased due to a number of factors including measures taken to enable leisure centres to reopen and additional pressure on Housing Services as the number in need of rehousing increased.

The update included details of actions being taken to reduce the projected overspend this Financial Year and one-off government grants that had been received or were anticipated. The director of Corporate Resources reminded the Group that the Council was required by law to produce a balanced budget, and that it would be unsustainable to use up the Council's reserves over the next four years.

The Group discussed potential measures that could be taken including disposing of some assets, reducing services, investment opportunities, or increasing council tax (within the limits set by government).

The Cabinet Member considered that, given the level of uncertainty, it would not be appropriate to produce a draft Medium Term Financial Strategy up to 2024/25 as would normally be expected, and proposed that an update on estimated net expenditure, revenue and possible measures to secure efficiencies be brought to Cabinet on 26 November instead.

The Group were supportive of this approach and agreed that it was better not to commit to specific measures until the situation became clearer when the Settlement for 2021/22 is known, early in the New Year.

11 **PROCUREMENT OF BUILDING CONTRACT**

The Head of Property & Facilities briefed the Group on the tender process being undertaken for the procurement of a building contract that was required to build an extension on a property leased by the Council.

It was noted that a report would be considered by Cabinet to approve the contract terms once the tender process had been completed.

12 **FORWARD PLAN EXTRACT FOR THE FINANCE AND ASSETS PORTFOLIO**

The Forward Plan extract was noted. It was agreed that the MTFs report to Cabinet on 26 November should be renamed to Update on the Council's Financial Position.

The meeting closed at 6.15 pm having commenced at 5.30 pm

CHAIRMAN