

Overview Select Committee (OSC) Finance Task Group

Minutes of Meeting held on 23rd May 2018

Present

Cllr Baljit Singh, Chair of Task Group
Cllr Ratilal Govind, Vice-Chair
Cllr Inderjit Gugnani
Alison Greenhill, Director of Finance
Amy Oliver, Chief Accountant

Apologies

Cllr Virginia Cleaver
Cllr Elly Cutkelvin
Cllr Mohammed Dawood
Cllr Ross Grant
Cllr Jean Khote
Cllr Nigel Porter
Cllr Paul Westley

1. Review of Treasury Management Activities 2017/18

- 1.1 Amy Oliver introduced the Treasury report, noting this report was brought to update members on the Council's treasury activity during 2017/18. It was confirmed there had been no new borrowing during the year, and that investments at the end of the year were at a similar level to last year.
- 1.2 It was confirmed to members that this report provides a snap shot at a point in time, and the investment balances will fluctuate during the year. It was observed that the Treasury team will make decisions on the best place for investing using a large range of information, including that provided by the Council's treasury advisors. It was confirmed that the Treasury team work within the parameters set out in the treasury strategy and approved by Council.

2. Revenue Budget Monitoring Outturn -2017/18

- 2.1 Alison Greenhill introduced the revenue monitoring outturn report, and the recommendations. It was explained to Members that decisions relating to earmarked reserves would need to be published prior to the OSC meeting; this was due to the earlier publication of the Statement of Accounts.
- 2.2 Members asked for clarification on the one-off underspend in Adult Social Care. Alison Greenhill confirmed this was in relation to savings being achieved earlier than had been assumed when setting the budget for 2017/18, along with savings from package cost growth not being as high as forecast. It was noted Adult Social Care was expected to be under significant budget pressure in the future. Due to this pressure, it is recommended in the

report that the underspending be transferred to a reserve to help future budgets met the cost of demographic pressures on the service.

- 2.3 Members questioned the underspending on the Syrian Refugees Grant. Alison Greenhill confirmed that the money will be made available to support Syrian refugees, but noted that such support is required over more than one year.
- 2.4 Cllr Singh asked a question about the overspends in the Looked After Children and Special Educational Needs services. Cllr Singh requested assurance that the Children, Young People and Schools Scrutiny Commission is monitoring this area of spending.
- 2.5 Members questioned the reserves held by the Council. Alison Greenhill explained the reasons for the current level of reserves, and their purpose.
- 2.6 Alison Greenhill confirmed that £35m of the reserves are ringfenced by law and the Council is only able to spend the money in line with conditions set out.
- 2.7 Alison confirmed that the Capital Programme Reserve (£41m) was allocated to fund the Council's approved capital budget. The Managed Reserves Strategy (£22m) is a key part of our budget strategy, and provides one-off monies to fund the Council's revenue budget (and will shortly run out).
- 2.8 For departmental reserves Alison Greenhill confirmed departments have to justify why they need a reserve if they remain unspent. They are regularly reviewed.
- 2.9 Members supported the recommendations detailed in the report.

3. Capital Budget Monitoring Outturn – 2017/18

- 3.1 Cllr Singh introduced the capital monitoring report, noting a total spend of £105m during 2017/18.
- 3.2 Alison Greenhill confirmed there are two recommendations to add budget to the capital programme. The first, in relation to highways maintenance as detailed in para 1.3 of the report, is to be funded by additional grant from the Department of Transport. The second is additional funding for CCTV improvements.

4. Income Collection Report -2017/18

- 4.1 Cllr Singh introduced the report and recognised the importance of this report in detailing the Council's debt collection performance.

- 4.2 Alison Greenhill referred to the graph on page 5 of the report, which showed how the Council was continuing to collect nearly all income due, with a very small percentage being written off.
- 4.3 Members asked for more detail on the number of businesses paying business rates over the last five financial years. This is provided in the table below:

Financial Year	Number of Businesses
31 st March 2014	11,980
31 st March 2015	12,114
31 st March 2016	12,121
31 st March 2017	12,223
31 st March 2018	12,404