

**CABINET
24 MARCH 2020**

PART 1 – PUBLIC DOCUMENT

6h - ITEM REFERRED FROM FINANCE, AUDIT AND RISK COMMITTEE: 16 MARCH 2020 - THIRD QUARTER INVESTMENT STRATEGY (CAPITAL AND TREASURY) REVIEW 2019/20

The Service Director – Resources presented the report entitled Third Quarter Investment Strategy (Capital and Treasury) Review 2019/20 and drew Members' attention to the following:

- Table 2 at paragraph 8.4 on page 167 within the report, with particular focus on the scheme to provide Housing at Market Rents. The Service Director – Resources explained that in relation to that scheme, there had been delays in undertaking work at Harkness Court and that work would now commence in 2020/21;
- Table 3 on page 169 within the report; and
- Treasury Management 2019/20 - Paragraph 8.10 on page 170 within the report.

The following Members asked question:

- Councillor Sam North; and
- Councillor Sam Collins.

In response to Member's question, the Service Director – Resources responded as follows:

- Full Council set the Treasury and Investment Strategy;
- A recommendation to Full Council would not be necessary as it stood currently;
- Breaching the £5M limit in the current account was not planned;
- The majority of people paid Council Tax by Direct Debit, therefore funds would be automatically received; and
- Despite the changes to the Business Rates, there would no financial impact on the Council as there would be a Section 31 Grant made available.

RECOMMENDED TO CABINET:

- (1) That the forecast expenditure of £1.804million in 2019/20 on the capital programme be noted;
- (2) That the adjustments to the capital programme for 2019/20 onwards as a result of the revised timetable of schemes detailed in table 2, increasing the estimated spend in 2020/21 and beyond by £3.831million be approved;
- (3) That the position of the available of capital resources, as detailed in table 3 paragraph 8.6 and the requirement to keep the capital programme under review for affordability, be noted;
- (4) That the position of Treasure Management activity as at the end of December 2019 be noted.

REASONS FOR RECOMMENDATIONS

- (1) Cabinet is required to approve adjustments to the capital programme and ensure the capital programme is fully funded.
- (2) To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.

(To be taken with Item 18)