

POLICY AND RESOURCES COMMITTEE

Tuesday, 15 February 2022

Present: Councillor J Williamson (Chair)

Councillors T Anderson S Hayes
H Cameron T Jones
P Cleary J McManus
W Clements Y Nolan
P Gilchrist J Robinson
JE Green P Stuart
EA Grey

Deputy: Councillors A Hodson (In place of L Rennie)

120 WELCOME AND INTRODUCTION

The Chair welcomed everyone to the meeting and those watching the webcast.

121 APOLOGIES

The Chair confirmed that apologies had been received from Councillor Lesley Rennie and that Councillor Andrew Hodson was deputising.

122 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members were asked to declare any disclosable pecuniary interests and any other relevant interest and to state the nature of the interest.

The following declarations were made:

Councillor Jeff Green	Personal interest by virtue of him being Chair of Wirral Golf Club and also as a Director of the Wirral Growth Company.
Councillor Jean Robinson	Personal interest by virtue of her being a Director of Wirral Growth Company.

123 MINUTES

Resolved – That the minutes of the meeting held on 17 January, 2022 be approved and adopted as a correct record.

124 PUBLIC QUESTIONS

The Chair informed the meeting that nine questions had been received from members of the public, eight of whom were in attendance, and one who had asked that their question be read out at the meeting.

The nine questions and responses were attached as an appendix to the minutes.

125 STATEMENTS AND PETITIONS

The Chair informed the meeting that a number of petitions had been received and invited those in attendance to present their petitions, as follows:

1. Stephen Bennett presented a petition in respect of the proposed closure of Woodchurch Leisure Centre.
2. Councillor Yvonne Nolan presented a petition in respect of the proposed closure of Rock Ferry Library.
3. Julienne McGeough presented petitions on her behalf and on behalf of Paul Jobson in respect of proposals for increasing charges or introducing charges around residents' parking charges at Tranmere Rovers, Sainsbury's Prenton area and the Birkenhead town area.
4. Alan Dollery presented a petition in respect of the proposed closure of Prenton Library.
5. A petition had been delivered from Matt Webb in respect of the proposed 12 month closure of Bidston Tennis Centre and loss of three indoor courts on reopening.
6. Councillor Wendy Clements presented a petition in respect of the proposed closure of Greasby Library.

Resolved – That the petitions be noted and referred to the appropriate Chief Officers in accordance with Standing Order 11.2.

126 QUESTIONS BY MEMBERS

No questions from Members had been received.

127 BUDGET MONITORING QUARTER 3 2021/22

The Director of Resources introduced a report which set out the financial monitoring information for the Council as at quarter 3 (October - December) of 2021-22 and provided an overview of budget performance.

The Committee was aware that the Department for Levelling Up, Housing and Communities (DLUHC) had provided a conditional offer of Exceptional Financial Support (capitalisation directive) for 2021/22 of up to £10.7m. One of the conditions of that offer was that the Council would need to provide

evidence from the assurance review of the authority's financial position and its ability to meet any or all the identified budget gap without any additional borrowing. An Independent Panel had been appointed to monitor the progress of the implementation of the recommendations of the review.

It was therefore vitally important that the Council had robust processes in place to manage and monitor the in-year financial position, to ensure it delivered a balanced position at the end of the year. The report outlined a number of improvements which had been made to address this.

The projected year-end revenue outturn, recorded as part of Quarter 3 financial monitoring activity, represented a favourable variance against revenue budget of £1.345m. As any favourable variance had to contribute to the reduction in the value of the Exceptional Financial Support for 2021/22, the forecast year end position was a balanced budget. This budget position included the utilisation of the Government's Exceptional Financial Support (EFS) but it was not anticipated that the full amount would be required, following a review of new funding received and a reduction in pressures estimated in March. The value of the EFS had now reduced to £6.355m.

The Director of Resources in response to comments from Members agreed that she would supply figures in writing with regard to the aggregated costs of the capitalisation of salaries for this year and future years, and that the list of earmarked reserves with a commentary, would be circulated to all Members.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

Resolved – That,

- (1) the favourable forecast position, prior to the proposed adjustment to the exceptional financial support, presented at Quarter 3, be noted;**
- (2) the forecast reduction in the requirement to utilise the Government's Exceptional Financial Support (EFS), be noted;**
- (3) the impact of funding and expenditure as a direct consequence of Covid-19, including the additional funding sources which had been identified, be noted.**

128 **CAPITAL MONITORING QUARTER 3 2021/22**

The Director of Resources introduced a report which provided an update on the progress of the Capital Programme 2021/22 at the end of December 2021. The report recommended to Council a revised 2021/22 Capital Programme of £71.9 million which took account of re-profiling, virements, additional funding requirements and grant variations identified since the Capital Programme was formally agreed on 1 March 2021.

In response to comments from Members, the Director stated that any reduction in the capital programme would reduce borrowing and feed into a reduction in revenue spend too. With regard to the reduction in the capitalisation amount and the instruction from Department for Levelling Up, Housing and Communities (DLUHC) to sell off assets, this requirement would reduce as the Council would only be looking to sell off assets equivalent to the loan.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

RECOMMENDED – To Council,

- (1) the approval of the revised Capital Programme of £71.9 million for 2021/22, including the addition of the new grant funding referred to in section 3.4 in the report;**
- (2) the approval of additional funding for the schemes referred to in section 3.5 in the report;**
- (3) the approval of the virements referred to in Appendix 3 in the report.**

129 **BUDGET 2022/23 AND MEDIUM TERM FINANCIAL PLAN**

The Director of Resources introduced a report which was part of the Council's formal budget process, as set out in the constitution and in accordance with the legal requirements to set a balanced and sustainable budget for 2022/23.

This report presented details of the annual budget for 2022/23; key elements contributing towards the preparation of the budget; recommendations on the budget and council tax, and an update on the Medium-Term Financial Plan (MTFP) covering the period from 2022/23 to 2026/27, previously reported to the Committee on 1 December 2021 (minute 101 refers) as a component of the Medium-Term Financial Strategy (MTFS).

The report contained several appendices, some of which were required to be published as part of the statutory annual budget process and others which provided the Committee with relevant information relating to short and medium-term budget planning, inclusive of consultation aspects and financial assumptions. These assumptions would change, and changes would be reported through the governance process for budget monitoring within the Committee system.

Included with these appendices was also the detailed Schools Budget for 2022/23.

The 2022/23 budget had been compiled using the figures in the provisional Local Government Finance Settlement for 2022/23 as the final settlement, had not at the time of agenda publication, been received. The Director confirmed that the final settlement had been received with a slight improvement of £1k, which did not impact on the assumptions included within the 2022/23 budget report

The 2022/23 budget had been developed with consideration of the recommendations made in the Department for Levelling Up, Housing and Communities (DLUHC) external assurance reports and in consultation with the Independent Panel convened to advise on the Council's financial recovery plan.

The budget proposals, which had been produced with the engagement of Policy and Resources Committee and other Service Committees, and the associated recommendations laid out in this report were a key step in achieving the Council's commitment to produce a stable, prudent and sustainable financial basis to operate from, recognising the finite resources available and prioritising them for the best outcomes for Wirral, with the ongoing aim of delivering better services.

The report was extensive, covering complex information on a number of areas including:

- The national context and local government funding
- Government engagement, DLUHC and Exceptional Financial Support (EFS)
- Organisational change
- The approach to formulating the budget, inclusive of Directorate budget envelopes
- The budget proposals
- The MTFS and future year assumptions
- Council Tax
- Business Rates
- Schools' budgets
- Levies
- The General Fund and earmarked reserves
- Flexible Use of Capital Receipts (FUCR)
- The Section 151 officer's report on the robustness of estimates for budget calculations

Both the Director and Chief Executive responded to a number of comments from Members clarifying the external advice given of the need for a contingency fund of £3m minimum and also assuring the Committee of the rigour with which the Change Programme and delivery of savings would be implemented.

The Chair then moved, seconded by Councillor Jean Robinson, the recommendations set out in the report, with the following alterations to be inserted:

- (a) That the savings proposal listed at Appendix 2 headed “Permanent Closure and Demolition of Woodchurch Leisure Centre” be amended to contain an additional element to the proposal that

Demolition of the Woodchurch Leisure Centre will not be progressed whilst a process is undergone to consider the feasibility of any expressions of interest submitted to the Council by 30 September 2022 for the transfer of the Leisure Centre to be operated by a community group or trust. Any transfer of the Leisure Centre will include the earmarked capital costs of £330k for demolition being made available to assist with required capital maintenance works to the site. In addition, if the Directorate is able to make any efficiencies above and beyond the proposed savings at the end of Quarter 1 in 2022/23, that this will be earmarked towards project support for any successful bid to transfer the facility to a community organisation. This does not affect the proposed revenue saving.

- (b) That a report be brought as soon as practicable to the Policy & Resources Committee to establish a Community Asset Transfer policy in respect of services and assets identified in the budget proposals, which should be fully integrated with the Council’s Community Wealth Building Strategy and the principles adopted within it
- (c) That the savings proposal listed at Appendix 2 headed “Review of Anti-Social Behaviour Team” be deleted. This will remove the proposal of £50k to review the Anti-Social Behaviour Team as the Committee is acutely aware of the blight that anti-social behaviour has on our residents’ lives and the detrimental impact it has on our communities. The £50,000 attached to this saving may be found from a different resource, that being using the Annual Community Safety Grant which the Council receives from the Police and Crime Commissioner which is as yet unallocated for 2022/23. This will both protect our communities and save jobs.
- (d) That the Director for Neighbourhoods ensure that the forthcoming reports to Tourism, Communities, Culture & Leisure Committee contain:
 - (i) a full exploration of all proposals submitted during the consultation period for Hoylake and Brackenwood golf courses, including options for increasing fees, alternative provision and environmental projects;

- (ii) delivery plans for a children's activity area in the main swimming pool at Europa Pools on dedicated days and school holidays; and
 - (iii) a consideration of how future leisure provision may be underpinned by the Community Wealth Building Strategy and is best able to deliver the Wirral Plan objectives to reduce health inequalities in the Borough.
- (e) That expressions of interest be invited for the transfer of one or more golf courses to a community run body, to be submitted by 30th September 2022, to be developed as a business case and assessed by the Council. This will not affect the saving proposal to come into effect as of 1st April 2022, following Budget Council.
- (f) That a report be brought to a future meeting of the Policy & Resources Committee in respect of a review of the Council's Social Value Policy, which is requested to take place within the coming six months and focussed on an ambition to make it more ambitious in its targets and for it to integrate with the social value framework currently being developed by the Liverpool City Region Combined Authority.

The Director of Resources confirmed that the proposals put forward by the Chair were all legal and achievable for a balanced budget to be set.

It was then moved as an amendment by Councillor Tom Anderson, seconded by Councillor Jeff Green, that –

- (a) That the savings proposal listed at Appendix 2 headed "Reprovision of the Library Service" be amended to reduce the savings proposals so as to make sufficient monies available to enable:
- (i) Greasby library to remain operating for the purposes of a community facility and library centre at a cost of £78k;
 - (ii) expressions of interest in community asset transfer of the libraries that may be closed to be supported in assisting the production and implementation of business cases at a cost at a revenue cost of £282k; and
 - (iii) an allocation from within the 2022/23 capital programme be identified, where necessary, to enable expressions of interest in community asset transfer of the libraries that may be closed to be supported in assisting the production and implementation of business cases at a cost of £500k; and
 - (iv) libraries currently proposed to cease operation as of 1st July to continue to operate until 1st November 2022 whilst expressions of interest for their community asset transfer are sought and

business cases developed and assessed, which will provide a reduction of in-year savings of £470k;

amounting to a reduction in revenue savings of £162k for 2022/23 and future years and £752k for 2022/23 only, with the use of the budget surplus to support this.

- (b) That the amount specified in proposed Recommendation 4 of “£0.44m” be deleted and the word “the” to be deleted and replaced with “any”, so as to read - “approve any surplus funding available from a budget proposal of £330.13m to be transferred to the General Fund”.

Councillor Yvonne Nolan expressed her support for Councillor Anderson’s amendment but suggested that Rock Ferry Library be also added to his amendment regarding Greasby Library.

Councillor Anderson agreed that this could be added to his amendment, so that (a) (i), now read:

“Greasby and Rock Ferry libraries to remain operating for the purposes of community facility and library centres at a cost of £162k”

It was then further moved by Councillor Tom Anderson, and seconded by Councillor Helen Cameron, that –

- the savings proposal listed at Appendix 2 headed “Review of Golf Offer” be amended to contain an additional element to the proposal that:

“Closure of these sites will require alternative proposals for use to be brought forward, which the Council intends as landowner will be for leisure or outdoor use only and would be appropriate to the Greenbelt where those sites are within it.”

A further amendment was then moved by Councillor Phil Gilchrist, seconded by Councillor Steve Hayes, that –

“Committee recognises that consultations over the future of a number of facilities do not close until 27th March. In addition, at the time of writing, consultation on the future shape and extent of library provision, has not yet commenced.

Given the views expressed by the report from CIPFA and their opinion on the extent and range of non-statutory services, along with those covered by the provisions of the Libraries and Museums Act 1964, Committee recognises that it is not practicable for all the services offered by the Council to remain as provided.

Having regard to these constraints it is essential that any groups or organisations interested in the potential of community asset transfer are given adequate time and sufficient information to assemble their business cases. In these circumstances officers can be expected to respond to requests from groups and organisations for advice on the running costs of any facilities they are considering for such a transfer.

In these circumstances the timing of the need to make budgetary savings may undermine the ability of a group to assemble its case to take over an asset on behalf of the community. A clear aim should be to avoid an asset being damaged or neglected in any transition whilst productive negotiations take place. A further aim should be to ensure that such negotiations are concluded in a timely manner so that an orderly transition can be arranged if practicable..

To facilitate this the £0.44m contained at recommendation 4 be removed and added to the £3m contingency for delivery of first or in year savings (as specified at paragraph 3.21 of the report).

The up to date position on productive and meaningful approaches can then be reported to the June cycle of committees.”

An amendment was then moved by Councillor Pat Cleary, seconded by Councillor Steve Hayes, that –

- (a) To provide additional useable funding by adopting a proposal to reduce the temperature in occupied Council buildings by 2 degrees, which will in general create a reduced energy cost of £113k.
- (b) To direct that budget saving proposal to increase the Climate Emergency Budget.

Councillor Paul Stuart moved an amendment to the second part of Councillor Cleary’s amendment, in that it be replaced by the following –

“That the £113,000 savings identified around council energy costs are re-directed into the Local Welfare Assistance Fund to be ringfenced for fuel poverty in the form of one-off flat payments to those residents in most need of assistance with their fuel bills. Residents across the Borough are currently suffering from a cost of living crisis which means many are choosing between heating and eating. To enable this to be allocated fairly, the Director of Resources is requested to establish a process that will distribute the money in an equitable manner.”

In response to a Member’s comment, the Director of Resources confirmed that £2.72m had been built into the budget for increased energy costs, and that the savings put forward in energy costs were deemed to be achievable.

At 8.03pm the Chair adjourned the meeting to enable discussions within Groups to take place on the proposals.

The Committee resumed at 8.34pm.

Councillor Phil Gilchrist moved a further amendment, seconded by Councillor Steve Hayes, that –

“Members should be kept fully informed of the response to all consultations so that the proposals brought forward tonight are seen in context and that developments involving community asset transfer are assessed by the Policy and Resources Committee in due course.”

Responding to a Member’s comment the Director of Resources stated that a report would be brought to the next Policy and Resources Committee on a Community Asset Transfer Policy with criteria and timelines.

Members then debated further the proposals and amendments before them.

The Director of Law and Governance then explained how the voting would proceed on the amendments and motion before the Committee.

The first vote was taken on Councillor Anderson’s amendment as altered, concerning libraries and financing, and this was carried (14:1).

A vote was then taken on Councillor Anderson’s amendment regarding golf courses, and this was carried (15:0).

The Director of Law and Governance informed the meeting that Councillor Gilchrist’s first amendment would now fall away as it conflicted with Councillor Anderson’s first amendment, which had been carried.

A vote was then taken on the first part of Councillor Cleary’s amendment, which was carried (15:0).

The second part of Councillor Cleary’s amendment was put and lost (3:12).

Councillor Stuart’s amendment to the second part of Councillor Cleary’s amendment was then put and carried (15:0).

Councillor Gilchrist’s second amendment in respect of Community Asset Transfers, was then put and carried (15:0).

The substantive motion, as amended, was then put and carried (14:1).

Resolved (14:1) – That the Committee:

- (1) Considered the response to the financial proposals forming a draft budget for the purposes of consultation under section 65 of the Local Government Finance Act, set out as:

Appendix 1 Report of the Section 151 officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves

Appendix 2 Savings, income and efficiencies proposals

Appendix 3 Five year Medium-Term Financial Plan

Appendix 4 Budget consultation

Appendix 5 Policy & Service Committee budget proposals feedback

Appendix 6 Pressures/Investments

Appendix 7 The position for the Dedicated Schools Grant

Appendix 11 Medium-Term Financial Strategy

and approved the same as the basis of the formulation of the draft budget subject to the following alterations and additions to the supporting proposals as set out at Appendix 2. These being:

- (a) That the savings proposal listed at Appendix 2 headed “Permanent Closure and Demolition of Woodchurch Leisure Centre” be amended to contain an additional element to the proposal that:

Demolition of the Woodchurch Leisure Centre will not be progressed whilst a process is undergone to consider the feasibility of any expressions of interest submitted to the Council by 30 September 2022 for the transfer of the Leisure Centre to be operated by a community group or trust. Any transfer of the Leisure Centre will include the earmarked capital costs of £330k for demolition being made available to assist with required capital maintenance works to the site. In addition, if the Directorate is able to make any efficiencies above and beyond the proposed savings at the end of Quarter 1 in 2022/23, that this will be earmarked towards project support for any successful bid to transfer the facility to a community organisation. This does not affect the proposed revenue saving.

- (b) That a report be brought as soon as practicable to the Policy & Resources Committee to establish a Community Asset Transfer policy in respect of services and assets identified in the budget proposals, which should be fully integrated with the Council’s Community Wealth Building Strategy and the principles adopted within it.

- (c) That the savings proposal listed at Appendix 2 headed “Review of Anti-Social Behaviour Team” be deleted. This will remove the proposal of £50k to review the Anti-Social Behaviour Team as the Committee is acutely aware of the blight that anti-social behaviour has on our residents’ lives and the detrimental impact it has on our communities. The £50,000 attached to this saving may be found from a different resource, that being using the Annual Community Safety Grant which the Council receives from the Police and Crime Commissioner which is as yet unallocated for 2022/23. This will both protect our communities and save jobs.**
- (d) That the Director for Neighbourhoods ensure that the forthcoming reports to Tourism, Communities, Culture & Leisure Committee contain:**
- (i) a full exploration of all proposals submitted during the consultation period for Hoylake and Brackenwood golf courses, including options for increasing fees, alternative provision and environmental projects;**
 - (ii) delivery plans for a children’s activity area in the main swimming pool at Europa Pools on dedicated days and school holidays; and**
 - (iii) a consideration of how future leisure provision may be underpinned by the Community Wealth Building Strategy and is best able to deliver the Wirral Plan objectives to reduce health inequalities in the Borough.**
- (e) That expressions of interest be invited for the transfer of one or more golf courses to a community run body, to be submitted by 30th September 2022, to be developed as a business case and assessed by the Council. This will not affect the saving proposal to come into effect as of 1st April 2022, following Budget Council.**
- (f) That a report be brought to a future meeting of the Policy & Resources Committee in respect of a review of the Council’s Social Value Policy, which is requested to take place within the coming six months and focussed on an ambition to make it more ambitious in its targets and for it to integrate with the social value framework currently being developed by the Liverpool City Region Combined Authority.**
- (g) That the savings proposal listed at Appendix 2 headed “Reprovision of the Library Service” be amended to reduce the**

savings proposals so as to make sufficient monies available so as to enable:

- (i) Greasby and Rock Ferry libraries to remain operating for the purposes of community facility and library centres at a cost of £162k ;**
- (ii) expressions of interest in community asset transfer of the libraries to be supported in assisting the production and implementation of business cases at a cost of £282k ; and**
- (iii) an allocation from within the 2022/23 capital programme be identified, where necessary, to enable expressions of interest in community asset transfer of the libraries that may be closed to be supported in assisting the production and implementation of business cases at a cost of £500k ; and**
- (iv) libraries currently proposed to cease operation as of 1st July to continue to operate until 1st November 2022 whilst expressions of interest for their community asset transfer are sought and business cases developed and assessed, which will provide a reduction of in-year savings of £470k;**

amounting to a reduction in Revenue savings of £162k for 2022/23 and future years and £752k for 2022/23 only with the use of the budget surplus to support this.

- (h) That the savings proposal listed at Appendix 2 headed “Review of Golf Offer” be amended to contain an additional element to the proposal that:**

“Closure of these sites will require alternative proposals for use to be brought forward, which the Council intends as landowner will be for leisure or outdoor use only and would be appropriate to the Greenbelt where those sites are within it.”

- (i) That an additional proposal be listed at Appendix 2:**

- (i) To provide additional useable funding by adopting a proposal to reduce the temperature in occupied Council buildings by 2 degrees, which will in general create a reduced energy cost of £113k; and**
- (ii) That the £113,000 savings identified around council energy costs are re-directed into the Local Welfare Assistance Fund to be ringfenced for fuel poverty in the form of one-off flat payments to those residents in most need of assistance with their fuel bills. Residents across the Borough are currently suffering from a cost of living crisis which**

means many are choosing between heating and eating. To enable this to be allocated fairly, the Director of Resources is requested to establish a process that will distribute the money in an equitable manner.

- (j) Members should be kept fully informed of the response to all consultations so that the proposals brought forward tonight are seen in context and that developments involving community asset transfer are assessed by the Policy and Resources Committee in due course.
- (2) Noted the role of the Change Programme and the approach to currently active Service Reviews in delivering budget proposals.
- (3) Recommends that Council adopt a Revenue Budget, subject to the Local Government Finance Settlement to be issued by The Department for Levelling Up, Housing and Communities (DLUHC) of £330.13m.
- (4) Recommends that Council approve any surplus funding available from a budget proposal of £330.13m to be transferred to the General Fund.
- (5) Accordingly recommends that Council:
 - (a) agree the summary Medium-Term Financial Plan (MTFP) set out as Appendix 3 and adopt the Medium-Term Financial Strategy (MTFS) set out as Appendix 11;
 - (b) adopt the fees and charges set out as Appendix 9, with delegated authority being granted:
 - (i) to the Section 151 Officer to update the Council's Fees and Charges Directory prior to publication before 1 April 2022
 - (ii) to the relevant Director with portfolio, in consultation with the relevant Committee's Chair and Group Spokespersons, to vary existing fees and charges;
 - (c) approve the Discretionary Rate Relief Policy for Business Rates for 2022/23 set out as Appendix 10;
 - (d) set and maintain the level of General Fund Balances at the higher of
 - (i) 4% of the Council's net revenue budget, based on a locally determined assessment of the financial risks that the Council may face in the future in accordance with the report of the Section 151 Officer (Appendix 1);

A Member suggested the need for a forward programme of improvements required to leisure facilities in respect of the £660k Leisure Capital Improvement Programme funding.

The Director responded to a number of comments from Members and confirmed that DLUHC had instructed the Council not to use any portion of capital receipts for a community fund, but that all capital receipts were to be used to fund the cost of the capitalisation directive. She suggested that the idea of a capital pot for some form of community funding in areas where assets had been sold off could be revisited.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

RECOMMENDED – To Council -

- (1) the approval of the new bids as detailed in Appendix 2 to the report requiring £8.963 million borrowing for inclusion in the Capital Programme;**
- (2) the approval of any new bids supported by grant funding do not commence until written confirmation has been received from the granting authority;**
- (3) the approval of the Capital Programme 2022/27 (as detailed in Appendix 3 to the report).**
- (4) that the Director of Resources be requested to present updates on the capital programme in accordance with the agreed capital monitoring arrangements.**

131 **CAPITAL FINANCING STRATEGY 2022/23**

The Director of Resources introduced a report on the Capital Financing Strategy. The Authority's treasury management activity was underpinned by the Chartered Institute of Public Finance and Accountancy (CIPFA) 2017 Code of Practice on Treasury Management ("the Code"), in which there was the requirement for Council to approve an annual Capital Strategy. The report fulfilled the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

RECOMMENDED – To Council -

- (1) the approval of the Capital Strategy for 2022/23;**
- (2) the approval of the associated Prudential Indicators to be adopted;**

(3) the approval of the Council's Minimum Revenue Provision policy.

132 **TREASURY MANAGEMENT STRATEGY 2022/23**

The Director of Resources introduced a report on the Treasury Management Strategy. The Authority's treasury management activity was underpinned by the Chartered Institute of Public Finance and Accountancy (CIPFA) 2017 Code of Practice on Treasury Management ("the Code"), which required the production of annual Treasury Management Indicators and a Treasury Management Strategy Statement on likely financing and investment activity. The Code also recommends that Members were informed of treasury management activities at least twice a year.

The report fulfilled the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code. It did not cover the requirements of the 2018 Department for Levelling Up, Housing and Communities (DLUHC) Investment Guidance, which mostly referred to non-treasury investments and was the subject of a separate report.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

RECOMMENDED – To Council -

(1) the approval of the Treasury Management and Investment Strategy for 2022/2023;

(2) the approval of the Treasury Management Indicators.

133 **INVESTMENT STRATEGY 2022/23**

The Director of Resources introduced a report on the Investment Strategy. In February 2018, the former Ministry for Housing, Communities and Local Government (MHCLG), (now Department for Levelling Up, Housing and Communities (DLUHC)) published updated 'Guidance on Local Government Investments'. The previous edition covered only Treasury Management investments. In recent years local authorities had had an increasing focus on commercial activities including but not exclusive to property. Such activity had the potential to bring both increased returns and increased positive and negative risk. The revised Guidance on Local Authority Investments required that a separate Investment Strategy focusing on non-treasury investments was produced and approved annually by Council.

This report fulfilled the requirement of the DLUHC to produce an investment strategy that covered non-treasury activities.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

RECOMMENDED – To Council, the approval of the Investment Strategy for 2022/2023 which includes potential investment in the following activity areas:

- 1. Commercial Property**
- 2. Service Investments: Loans**
- 3. Service Investment: Shares (non-currently held)**
- 4. Loan Commitments and Financial Guarantees**

134 **PROCEDURE FOR BUDGET DECISION MEETING OF COUNCIL**

The Director of Law and Governance introduced a report on the assurance process in formulating the draft Council Budget with a recommendation to Council on a process for adoption at the Budget decision making meeting.

On a motion by the Chair, seconded by Councillor Yvonne Nolan, it was -

RECOMMENDED - To Council, that for the duration of the extraordinary meeting of 28th February 2022 (Budget Council):

- (a) the procedure attached as Appendix A be followed in respect of the meeting; and**
- (b) Council Standing Order 15.4 (timing of speeches) be suspended together with such other standing orders as may conflict with the Budget Council procedure or the Mayor's administration of the meeting, in such a manner as the Mayor in his or her absolute discretion dictates, to ensure the objective of Council setting a lawful budget and council tax requirement prevails.**

135 **CHAIR'S THANKS**

At the conclusion of the meeting, the Chair expressed her thanks for the manner in which the Committee had discussed and debated the matters before it, appreciative of the difficult process which the Council was going through and thanked Members and officers for all their hard work.