

DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

EXECUTIVE

MINUTES OF THE SPECIAL MEETING HELD ON THURSDAY, 13 OCTOBER 2016

Councillors Present: Dominic Boeck, Anthony Chadley, Jeanette Clifford, Hilary Cole, Lynne Doherty, Marcus Franks, James Fredrickson and Graham Jones (Vice-Chair, in the Chair)

Also Present: John Ashworth (Corporate Director - Environment), Nick Carter (Chief Executive), Andy Day (Head of Strategic Support), Peta Stoddart-Crompton (Public Relations Officer), Andy Walker (Head of Finance), Rachael Wardell (Corporate Director - Communities), Robert Alexander (Group Executive (Conservatives)), Councillor Lee Dillon, Moira Fraser (Democratic and Electoral Services Manager) and Councillor Alan Macro

Apologies for inability to attend the meeting: Councillor Roger Croft and Councillor Rick Jones

PART I

49. Declarations of Interest

There were no declarations of interest received.

50. Efficiency Plan 2016/17 to 2019/20 - Summary Report (Urgent Item)

The Executive considered a report (Agenda Item 3) which sought agreement of the Council's Efficiency Plan 2016/17 to 2019/20.

Councillor Anthony Chadley noted that in December 2015 Central Government had announced that they would be giving councils the opportunity to achieve greater certainty from a four year financial settlement. In March 2016 they made a clear commitment to provide minimum allocations for each year of the Spending Review period should councils agree to take up the offer. As part of the proposal councils were required to publish their Efficiency Plan on their website by the 14 October 2016. It was therefore proposed that the Council take up Central Government's offer and produce an Efficiency Plan.

The Efficiency Plan included information previously set out in the Council Strategy, Medium Term Financial Strategy (MTFS) and Efficiency Strategy for the Use of Capital Receipts. By the end of this MTFS period in 2019/20 the Council would no longer receive any Revenue Support Grant and it was therefore hoped that the Council would be able to retain 100% of its Business Rates so that the Council could be self sustainable. The authority had a history of strong financial management and had been able to set a balanced budget. This Plan reinforced that position.

As part of this process the Council was also seeking to identify other sources of income. Councillor Chadley was therefore pleased to announce that the Council was about to launch a joint venture with Greenham Common Trust to start investing in commercial properties. He noted that all Members were invited to attend the next Conservative Group meeting on the 17 November 2016 where they would be provided with more information and would have the opportunity to input into the discussion.

Councillor Alan Macro commented that, although he welcomed the four year strategy, he was surprised that this item was being considered under the urgency procedures at a special meeting, the day before the deadline for publication, when the Council had been

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aware of the proposal since March 2016. He noted that the Plan did not identify many efficiencies and he therefore queried whether Central Government would accept it as an Efficiency Plan. Councillor Macro also noted that the Council proposed to increase borrowing by a further £2.9m due to the low interest rates being offered by the Public Works Loan Board. He was concerned that the fluctuations in the value of the pound might mean that interest rates would increase and he was concerned about the impact this could have on the Council's borrowing.

Councillor Anthony Chadley stated Central Government had not set out any specific timescales, other than the publication date, for adopting the Efficiency Plan. The Executive had decided that they would like to align the adoption of the Plan with an announcement about the income generation scheme. Central Government had not issued any guidance on how to complete the Plan. Officers and Members had reviewed the document and were confident that it provided sufficient information. Andy Walker confirmed that the Department for Communities and Local Government had not provided much guidance on the required content of the Plan. He felt that they were more interested in authorities signing up to the four year settlement than the actual content of the Efficiency Plans.

Councillor Chadley, in response to Councillor Macro's final point, stated that the Council was required to set a balanced budget. This would be achieved through a number of activities and the Council was not reliant on a single approach. He noted that if interest on borrowing went up there would be a commensurate increase in interest on savings as well. There was a balance that would have to be struck and the Council would need to adapt its approach accordingly. Councillor Graham Jones reminded Members that the Plan was based on professional advice from Officers.

RESOLVED that the Efficiency Plan 2016/17 to 2019/20 be agreed.

Reason for the decision: To provide certainty and confidence around the Council's four year financial settlement.

Other options considered: The Council could choose not to accept the Government's offer of a four year settlement, removing the need to publish an efficiency plan. This would mean that the Council would have to wait for an annual financial settlement and accept the inherent uncertainty that this brings to medium term financial planning. In addition there is the underlying risk that future settlements could result in the withdrawal of Revenue Support Grant at a faster rate than that contained within the offer.

(The meeting commenced at 5.00pm and closed at 5.09pm)

CHAIRMAN

Date of Signature