

TANDRIDGE DISTRICT COUNCIL

STRATEGY & RESOURCES COMMITTEE

Minutes and report to Council of the virtual meeting of the Committee held on the 24 November 2020 at 7.30 p.m.

PRESENT: Councillors Elias (Chair), M.Cooper (Vice-Chair), Botten (Vice-Chair), Bourne, Caulcott, Davies, Duck, Langton, Lee, Milton, Pursehouse and Sayer

ALSO PRESENT: Councillors Black, Bloore, Connolly, Farr, Fitzgerald, Lockwood, Mills, Morrow, N.White and Wren

185. MINUTES OF THE MEETING HELD ON THE 8TH OCTOBER 2020

These minutes were approved as a correct record.

186. CORPORATE IMPROVEMENT PLAN UPDATE

The Committee had endorsed a Corporate Improvement Plan on 9th July 2020. This comprised various measures necessary to take the Council forward, particularly in the light of the COVID emergency. A summary of progress against the plan was submitted, together with a covering report which drew attention to:

- the implementation of recommendations from the Centre for Public Scrutiny (Ed Hammond);
- Member training initiatives;
- revisions to the performance & risk regime;
- the new approach to financial management initiated by the new Section 151 Officer and the fact that the budget gap for 2019/20 had closed significantly with a view to producing a balanced budget for 2021/22; and
- the introduction of a new complaints policy.

It was intended to submit a further progress report to the Committee's meeting in March 2021.

During the debate, it was confirmed that an 'ICT / digital strategy' would be submitted to Members in due course. The need to revise target dates in the next iteration of the plan was also acknowledged.

RESOLVED – that progress to date be noted.

187. Q2 CORPORATE PERFORMANCE AND RISK REPORT

Members were presented with an analysis of the Committee's key performance indicators and risks for the second quarter of 2020/21.

Regarding Risk 3 (*"inability of the Council to make savings as identified in the MTFs and to balance the Council's budget in 2021/22 and 2022/23"*) the Chief Finance Officer explained her intended approach to tracking progress against budgeted savings.

Whilst Members welcomed the improvements being made to the risk analysis, it was suggested that risk ratings should be signed off at Executive Director level with resource allocations being driven by the 'RAG' scores.

RESOLVED – that the Quarter 2 2020/21 corporate performance and risks be noted.

188. FINANCE REPORT - PERIOD 6

A report concerning the Council's revenue budget and capital programme as at the end of September 2020 (month 6) was presented.

A £400,000 overspend against the £10.6 million general fund revenue budget was projected. This represented an improvement of £100,000 from the previous month, which was largely due to a corresponding return from the Government's Covid-19 income compensation scheme. The overspend comprised additional costs / loss of income related to Covid-19 (£1.2 million) offset by an £800,000 underspend on 'business as usual' activities. The report cautioned against the uncertainty surrounding the 2020/21 forecast and advised that, if the position did not improve, reserves would have to be drawn upon to cover the overspend.

The revised capital programme had been reduced by £104.7 million to £15.4 million to reflect forecast expenditure and to provide a stable baseline.

Cashflow shortfalls in the collection of council tax and business rates were projected to impact in Q4 of 2020/21. The impact is currently being worked through.

The Committee was also informed that the Acting Chief Executive had exercised urgency powers (granted by Standing Order 35) to enable the Council to administer the Government's Additional (Covid-19) Restrictions Grant Scheme. A report concerning this matter would be submitted to the Committee's next meeting on the 16th December 2020.

During the debate, reference was made to the Committee's resolution on 22nd September 2020 that, *"a budget and project plan be produced immediately for Planning Policy Committee spending and that it is updated and notified monthly to the Planning Policy Committee and added to that Committee's agenda on a regular basis."* It was confirmed that the required information would be included within the finance report to be submitted to the Planning Policy Committee's January 2021 meeting and would be updated monthly for that Committee.

RESOLVED – that the Council's financial position for revenue and capital be noted.

189. FLEXIBLE USE OF CAPITAL RECEIPTS

The Committee considered the merits of a strategy to enable the use of capital receipts to fund the salary costs of officers involved in one-off transformation work undertaken by the Council during 2020/21. This was permissible under Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and subsequent government guidance (March 2016) which provided greater freedoms for using capital receipts to finance expenditure.

In accordance with the statutory guidance, a schedule of the various areas of work undertaken by the transformation team in 2020/21 was presented. This identified the cost of the work (totalling c£160,000) and the estimated associated saving of £349,000 to be achieved in the current financial year. The Council had £1,851,077 of capital receipts that could be used under the scheme, which was more than sufficient to finance the transformational work identified.

RECOMMENDED – that the flexible use of capital receipts strategy be agreed.

190. CORPORATE DEBT POLICY

A proposed consolidated policy, reflecting a more joined-up framework for dealing with debt collection across the Council, was presented. It sought to maximise collection rates, while ensuring a fair, proportionate and consistent approach to debt recovery.

The policy's objectives were to:

- apply best practice to debt collection;
- ensure a professional and timely approach to recovery action;
- maximise levels of income collected by the Council;
- treat all debtors consistently and fairly;
- promote a coordinated approach towards managing multiple debts;
- ensure that debtors in genuine financial difficulty are supported to claim any benefits they are entitled to and, where appropriate, are signposted towards free debt advice; and
- ensure that vulnerable people are supported to manage their financial affairs effectively, including the payment of debt.

The policy explained the 'three-step' debt collection process and timescales which comprised billing; instigation of legal proceedings following non-payment; and escalation to collection and enforcement agencies when necessary. Reference was made to debt management principles to be followed by officers; the expectations of debtors; and arrangements for the repayment of arrears.

The policy also highlighted the priority types of debt and the potential civil sanctions arising from court judgements. These concerned housing rent arrears; council tax; business rates; housing benefit overpayments; Business Improvement District levies; sundry debts; and commercial rents. The definition of vulnerable people in the context of debt management was clarified within the policy.

RESOLVED – that the Corporate Debt Policy, as attached at Appendix A to the report, be approved.

191. CLIMATE CHANGE ACTION PLAN REPORT

A proposed initial action plan was presented in response to the Council's declaration of a climate change emergency in February 2020. The declaration confirmed the Council's aim to reduce its environmental impact and to take steps to become carbon neutral by 2030.

Several potential actions still required scoping to establish business cases before decisions could be made to proceed. The Committee was therefore invited to adopt the initial version of the plan to provide officers with a mandate to conduct the necessary work, and then submit data on significant projects to enable Councillors to make informed decisions.

The initial plan included:

- the strategic priorities informed by Surrey County Council's Climate Change Strategy, adapted as appropriate for TDC;
- actions TDC could take to:
 - reduce emissions from the Council's estate and operations;
 - influence and encourage residents and businesses to reduce their emissions; and
 - work with other agencies to collectively reduce the carbon footprint of Surrey.

It was acknowledged that certain actions could be 'quick wins' such as: creating a baseline Council carbon emissions report; conducting a feasibility study into the installation of electric vehicle charging points in the Council's car parks; and producing a climate change communications strategy.

The first iteration of the TDC's carbon emission report for 2019-20 would be available by March 2021 and would focus on emissions that the Council can directly influence.

The Committee was also invited to approve the establishment of a Member/ Officer Task & Finish Group to inform the development of the action plan.

During the debate, the absence of costings from the proposed action plan was questioned. Officers explained that the first objective was to prioritise potential actions to pursue. The associated financial and other key implications would then be assessed, including the scope for assigning dedicated cost centres for budget monitoring purposes. The debate concluded with the view that residents expect the Council to become carbon neutral and that its declaration of a climate change emergency had committed the Authority to an effective programme of change.

RESOLVED – that

- A. the Council's climate change action plan at Appendix A to the report be adopted;
- B. the Committee receives an update on the development and delivery of the action plan in June 2021 and annually thereafter; and
- C. a climate change task and finish group be established with the following terms of reference:
 - i) to inform the development of the action plan, including prioritisation of actions and identification of timescales for delivery;
 - ii) to review the carbon emissions report when produced and propose any further actions required in light of that report; and
 - iii) to inform the development of an update report to the Strategy & Resources Committee in June 2021, at which point the Group will have completed its work.

(The Group shall comprise two Councillors from each of the three largest groups and one member from the Independent Group. The officers most relevant to the topics being discussed, and the climate change lead officer, would also attend).

192. FEEDBACK FROM THE TASK & FINISH GROUP ON COMMITTEE REPORTS

In accordance with the decision of Full Council on the 16th September 2020, a Member Task & Finish Group (comprising Councillors Bourne, Caulcott and M.Cooper) had reviewed the production of committee papers. The Group had identified the need to improve the template for committee reports and for associated guidance and training for officers. The improvements were designed to make reports more concise and accessible. The new template for committee reports would be kept under review and any councillors with suggestions for further improvement were invited to share them with members of the Group.

Training for officers on report writing, including the requirements identified by the Group, would be delivered in due course and funded from within the centralised officer training budget. A key objective of the training would be to make reports more accessible for Members and the public, and to facilitate greater transparency and more informed decision making.

During the debate, it was confirmed that authors would receive guidance on the need to consider risk implications in connection with their reports.

RESOLVED – that the changes to the committee report template and plans for officer training be noted.

193. DISCRETIONARY TEST AND TRACE GRANT - ADOPTION OF POLICY

A Covid-19 Test and Trace Discretionary Payment Policy was approved by the Acting Chief Executive on the 4th November 2020 under the urgency provisions of Standing Order 35 and pending review and ratification by this Committee. This followed government guidance on the award of £500 grants to support people on low incomes who are unable to work from home if they are told to self-isolate by NHS Test and Trace and will lose income as a result.

The policy exercised the discretion available to local authorities to extend the Government's minimum eligibility criteria, i.e.:

Minimum criteria

- Have been told to stay at home and self-isolate by NHS Test and Trace, either because they have tested positive for coronavirus or have recently been in close contact with someone who has tested positive;
- Are employed or self-employed; and are unable to work from home and will lose income as a result of self-isolating;
- Have signed up and completed the test and trace journey (receiving the initial notification to isolate will not qualify for the grant);
- Are not currently receiving Universal Credit, Working Tax Credit, income-based Employment and Support Allowance, income-based Jobseeker's Allowance, Income Support, Housing Benefit and/or Pension Credit; and
- Who are on low incomes and will face financial hardship as a result of not being able to work while they are self-isolating.

Discretionary payment – Tandridge additional criteria as relevant to the determination of whether a Discretionary Test and Trace Payment will be made

- Individuals who have made a claim for Universal Credit, Working Tax Credit, income based Employment and Support Allowance, income-based Jobseeker's Allowance, Income Support, Housing Benefit and/or Pension Credit and it is likely that this claim will be successful;
- Individuals from abroad who are excluded from claiming benefits but meet all the other statutory and discretionary criteria;
- Individuals whose gross annual household income is less than £20,000 a year (£385 per week), although consideration will be given for higher annual incomes if the Council is provided with a suitable justification that is in the spirit of the grant;
- The individual's employer must confirm that, as a result of his/her isolation, s/he will lose pay as a result of the terms of his/her contract;
- If the individual is self-employed, the self-employment must clearly be of the nature where s/he cannot work from home;
- The individual does not have capital exceeding £6,000.

The Tandridge scheme for considering and allocating Covid-19 Test and Trace payments, was presented to the Committee.

RESOLVED – that the Discretionary Covid-19 Test and Trace Payment Scheme, detailed at Appendix A to the report, be ratified.

194. INVESTMENT SUB-COMMITTEE – 23RD OCTOBER 2020

RESOLVED – that the minutes of the Sub-Committee's meeting on the 23rd October 2020, as attached at Appendix A, be received.

195. CHIEF OFFICER SUB COMMITTEE – 22ND OCTOBER AND 13TH NOVEMBER 2020

RESOLVED – that the minutes of the Sub-Committee's meetings on the 22nd October 2020 and 13th November 2020 (the minutes of the latter meeting are reproduced at Appendix B) be received.

196. APPOINTMENT OF ELECTORAL REGISTRATION OFFICER AND RETURNING OFFICER

The Committee considered the need for the Council to appoint a new Electoral Registration Officer (ERO) and Returning Officer (RO). This followed the departure of Elaine Jackson who previously held both positions, in addition to her role as Acting Chief Executive.

It was proposed that Jackie King, the new Acting Chief Executive, should be appointed to both the ERO and RO positions.

RECOMMENDED – that:

- A. the Acting Chief Executive is appointed as Electoral Registration Officer and Returning Officer pursuant to section 35(1) and section 8(2)(a) of the Representation of the People Act 1983 on a temporary basis until a permanent Chief Executive is appointed; and
- B. Lidia Harrison, Head of Legal Services & Monitoring Officer, and Chailey Gibb, Lead Democratic Specialist, continue to be appointed as Deputy Electoral Registration Officers.

197. CIL SPENDING REVIEW AND FUNDING STATEMENT

The Committee considered a report which summarised the Community Infrastructure (CIL) regime, including the new statutory requirement for the Council (as the CIL charging authority) to publish an Infrastructure Funding Statement (IFS) by 31st December annually; the role of Parish and County Councils; and the process for identifying projects for CIL spending.

A proposed IFS was appended to the report, setting out:

- 'Section 106' funding obligations triggered throughout the District;
- 'Section 278' (Highways) agreements entered into with Surrey County Council; and
- Projects that have been / will be funded by CIL income.

Councillor Bourne, seconded by Councillor Botten, proposed the following additional resolution:

".. agree to the immediate formation of a 7 Member politically balanced group (2,2,2,1) tasked to determine a method of evaluating and rating future CIL requests, with the group advised by Officers to ensure adherence to the CIL regulations. The result to be brought back to this committee for formal agreement and implementation. This will be followed up with Member briefing sessions to inform all Members of the new process and how best to represent projects in their wards".

Councillor Cooper proposed the following amendment to Councillor Bourne's proposal:

"Without prejudice to the outcome of the CIL bid - Grange Meadow (item 19), agree to the immediate formation of a 7 Member politically balanced group ... [the remaining text as per the above]

... this was agreed.

Regarding the proposed IFS, Members questioned the absence of anticipated infrastructure projects not yet presented to the Committee, especially the scheme to improve Croydon Road, Caterham which was being led by the Caterham Business Improvement District (BID) group. As projects had to be included within an IFS to qualify for CIL, Members favoured the insertion of an additional list of projects to which CIL allocations were expected. Given the initial challenges associated with the Committee having to adopt a revised IFS (incorporating such a list) at a future meeting before the end of December, it was suggested that that the recommended IFS (within the agenda pack) be adopted forthwith to comply with the Regulations. However, the Committee wished to confirm its intention to adopt an updated iteration of the IFS at the earliest practicable opportunity thereafter, incorporating an 'additional list' as referred to above.

RESOLVED – that:

- A. notwithstanding the intention to produce a revised replacement Infrastructure Funding Statement (IFS) as soon as practicable during 2020/21, the IFS as attached at Appendix A to the report be agreed;
- B. Officers prepare a charging schedule for the monitoring of planning obligations to bring back to this Committee for consideration; and
- C. without prejudice to the outcome of the CIL bid, 'Grange Meadow' (item 19 on the agenda), a Member Working Group, politically balanced (2,2,2,1) be formed and tasked to determine a method of evaluating and rating future CIL requests, with the Group advised by Officers to ensure adherence to the CIL regulations – the result to be brought back to this Committee for formal agreement and implementation – this will be followed up with Member briefing sessions to inform all Members of the new process and how best to represent projects in their Wards.

Note: Councillor Pursehouse declared a non-pecuniary interest in this matter on the basis that he was the Chairman of the Blanchman's Farm Nature Reserve. He took part in the debate and voting as permitted by the Members' Code of Conduct.

198. CIL BID- GRANGE MEADOW

The Committee resolved to move into confidential session (in accordance with Section 100A (4) of the Local Government Act 1972 - paragraph 3 of Schedule 12A) to consider this matter.

A report was presented with a recommendation to award £250,000 from Community Infrastructure Levy funds for a project to improve access to the recreation ground at Grange Meadow, Bletchingley. The site in question was owned by the Council.

Arguments for and against the recommended award of CIL funds were put forward. While not disputing the need for the scheme, reservations about the proposal included a view that the works should be funded from the Council's capital programme (given that the Council owned the site) and that the scope for contributions from other relevant agencies had not yet been fully demonstrated.

Upon being put to the vote, the motion to adopt the recommendation was lost.

RESOLVED – that the CIL application be refused.

Notes:

- (i) In accordance with Standing Order 25(3), Councillor Pursehouse wished it recorded that he abstained from voting.
- (ii) Councillor Black declared a non-pecuniary interest in this matter on the basis that she was the Council's representative on the Bletchingley Sports Association. She took part in the debate as permitted by the Members' Code of Conduct.

199. FREEDOM LEISURE - VERBAL UPDATE

The Committee resolved to move into confidential session (in accordance with Section 100A (4) of the Local Government Act 1972 - paragraph 3 of Schedule 12A) to consider this matter.

The Interim Transformation Lead updated the Committee regarding the on-going impact of the pandemic upon Freedom Leisure's operations within the District and the progress of negotiations regarding Freedom's request for financial assistance following the Committee's meeting on the 8th October 2020.

Rising 11.04 pm

INVESTMENT SUB-COMMITTEE

Minutes of the virtual meeting of the Sub-Committee held on the 23rd October 2020 at 10.00 a.m.

PRESENT: Councillors Elias (Chair), Farr and Jones.

APOLOGIES FOR ABSENCE: Councillors Bourne and M.Cooper.

1. MINUTES

The minutes of the meeting held on the 21st May 2020 were approved as a correct record.

2. PRESENTATION FROM UBS MULTI-ASSET INCOME FUND MANAGERS

The Sub-Committee resolved to move into confidential session for this item in accordance with Section 100A (4) of the Local Government Act 1972 on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

The Council had invested £3 million in this fund which sought to generate an income of 'cash plus 3%'. It aimed to achieve a stable and sustainable yield without eroding capital. The Sub-Committee received a presentation from UBS representatives Rachel Perini (Executive Director) and Dimitris Skountzos (Client Service Manager). This covered UBS's approach to multi-asset investing with an assessment of the fund's performance to date. It was noted that the fund had limited foreign currency exposure to the extent of only 2%.

Arising from the presentation, Members requested clarification about on-going fund charges and mandate costs and the current value of the Council's investment to date. Rachel Perini undertook to provide this information after the meeting.

3. SUMMARY INVESTMENT AND BORROWING POSITION

The investment analysis at Appendices A and B was considered, together with fact sheets for the four funds within the Council's treasury investment portfolio. The current statement of investment beliefs was also included with the agenda papers.

The Sub-Committee had previously agreed that redemption proceeds from Funding Circle loans be withdrawn from Funding Circle and reallocated to the CCLA diversification fund, Schroders bond fund and UBS multi-asset fund. Members were advised that the Funding Circle redemption proceeds (which now amounted to £550,000) had not, in fact, been reinvested. The deputy Chief Finance Officer explained the reasons for this and sought the Sub-Committee's views about whether the proceeds should, instead, be retained as a possible contingency for assisting with the Council's cash flow requirements later in the current financial year. The Sub-Committee favoured this alternative approach, pending a review of the situation at the next meeting.

Arising from discussion about the loan to Freedom Leisure, it was confirmed that no repayments had been received since the third quarter of 2019/20.

Members also suggested that the statement of investment beliefs be reviewed at the Sub-Committee's next meeting.

RESOLVED – that

- A. the Council's investment and borrowing position at 30th September 2020, as set out at Appendices A and B, be noted;
- B. the individual factsheets for the long-term investments be noted;
- C. the current statement of investment beliefs be noted; and
- D. the reallocation of accumulated Funding Circle redemption proceeds be deferred, pending a review (at the Sub-Committee's next meeting) about whether they should be used to meet the Council's cashflow requirements.

4. PROPERTY INVESTMENT UPDATE

The Sub-Committee resolved to move into confidential session for this item in accordance with Section 100A (4) of the Local Government Act 1972 on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

The accompanying report updated Members on asset management activity and the performance of the Council's commercial property investments. This confirmed that the Quadrant House regeneration project (in Caterham Valley) was a key priority in view of the pressing deadline for spending the funding made available by the Local Enterprise Partnership. Officers provided further information about the work to progress the Quadrant House initiative and offered to submit a progress report via the Delegated Action List in the near future.

It was noted that property B (referred to in recommendation C of the minutes of the previous meeting under item 5) was no longer available as it had been acquired by another investor at a price and subject to conditions, both similar to the ones previously agreed by the Sub-Committee. It was further noted that not proceeding with the acquisition of property B had left a gap of approximately £200,000 per annum (net after borrowing costs) in the commercial income budget.

The merits of reducing the capital programme, given the current shortage of suitable commercial property acquisitions, were discussed. The total provision of £200 million for property investments to March 2021 would be significantly underspent and it was suggested that the budget be decreased to reflect actual activity, with future investment opportunities being considered on a case by case basis.

RESOLVED – that

- A. the Council's property investment activity be noted;
- B. for capital budget for the development of a commercial property investment portfolio be reduced and future suitable investments be considered on a case by case basis; and
- C. a progress report regarding Quadrant House be submitted in the near future as part of the Delegated Action List

5. DATE OF NEXT MEETING

It was agreed that the next meeting be held on Friday, 15th January 2021 at 10.00 a.m.

Rising: 12.05 p.m.

Summary of Investments and Borrowing

Appendix A

Investment	Investment Amount at 30/09/2020	Net Asset Value at 30/09/2020 Note 1	Yield Rate Note 2	Yield to 30/09/20 Note 3	Estimated Annual Return 2020/21 at 31/03/2021	2019/20 Actual
	£	£	%	£	£	£
<u>Non - Specified (Financial Investments)- Long Term (over 12 mths)</u>						
CCLA Property Fund	4,000,000	4,013,737	4.26	40,761	171,000	185,240
Schroders Bond Fund	3,000,000	2,798,400	4.50	33,903	125,900	124,418
UBS Multi Asset Fund	3,000,000	2,721,211	4.40	36,832	119,700	137,531
Funding Circle	1,261,826	1,415,581	3.30	19,476	40,000	78,011
CCLA Diversification Fund	2,000,000	1,928,260	3.46	35,972	66,700	66,284
Sub Total Non-specified (Financial Investments)	13,261,826	12,877,189		166,944	523,300	591,484
<u>Non - Specified (Non-Financial Investments)- Long Term (over 12 mths)</u>						
Gryllus Property Company Loan - Maidstone	2,394,000	2,394,000	5.81	0	139,100	139,023
Tandridge Leisure Ltd- Refurbishment Loan (TTLC)	0	0	0.00	0	0	1,520
Freedom Leisure- Loan (TLP)	1,017,000	1,017,000	5.50	0	53,271	63,926
Freedom Leisure- Loan (de Stafford)	651,750	651,750	7.58	0	47,050	54,484
Caterham Barracks	0	0	0.00	0	0	21,774
Gryllus Property Company Loan - 80-84 Station Rd East	945,000	945,000	5.81	0	54,900	53,924
Gryllus Property Company Loan - Castlefield	11,664,000	11,664,000	6.10	0	711,500	0
Gryllus Property Company Share Capital Note 4	5,317,500	5,317,500	-	-	-	0
Sub Total Non-specified (Non-Financial Investments)	21,989,249	21,989,249		0	1,005,821	334,651
Total Non-Specified Investments	35,251,075	34,866,438		166,944	1,529,121	926,135
<u>Specified Investments-Short Term (less than 12 mths)</u>						
Banks/Building Societies Deposits	0	-	0.00	0	0	6,381
Notice Accounts	4,000,000	4,040,001	0.09	3,940	12,400	20,919
Money Market Funds	10,720,000	10,720,000	0.03	9,883	20,000	75,255
Total Specified Investments	14,720,000	14,760,001		13,823	32,400	102,555
Total Non- Specified and Specified Investments	49,971,075	49,626,439		180,767	1,561,521	1,028,690
Total Investment Income Budget 2020/21					2,764,200	
Over/(under) budget					(1,202,679)	

Borrowing	Loan Amount	Estimated Average Borrowing	Interest	Expenditure to 30/09/20	Estimated Annual Cost 2020/21 at 31/03/2021
	£	£	%	£	£
General Fund Borrowing					
Gryllus Loan	3,420,000	3,420,000	2.46	42,066	84,100
Freedom Leisure Loan	2,225,000	2,225,000	2.45	27,256	54,500
Village Health Club	938,678	938,678	2.38	11,170	22,300
Linden House	4,175,000	4,175,000	2.69	56,154	112,300
Linden House	254,000	254,000	2.42	3,073	6,100
Quadrant House	15,340,000	15,340,000	2.41	184,847	369,700
Quadrant House	800,000	800,000	2.28	9,120	18,200
Gryllus - 80-84 Station Road	724,400	724,400	2.28	8,258	16,500
Gryllus - Castlefield	15,549,000	15,549,000	2.91	226,238	452,500
Sub Total General Fund Borrowing	43,426,078	43,426,078		568,182	1,136,200
General Fund Cost of Borrowing Budget					1,889,000
Over/(Under) Budget					(752,800)
HRA Borrowing					
Public Works Loan Board	61,189,000	61,189,000	2.76	831,153	1,662,300
Sub Total HRA Borrowing	61,189,000	61,189,000		831,153	1,662,300
HRA Cost of Borrowing Budget					1,926,500
Over/(Under) Budget					(264,200)
Total Borrowing	104,615,078	104,615,078		1,399,335	2,798,500
Total Cost of Borrowing Budget					3,815,500
Total Over/(Under) Budget					(1,017,000)

Notes

1. The Net Asset Value for Funding Circle is at 31 Aug 2020

2. Yield Rate

CCLA Property Fund dividend yield Sept 20 provisional provided by CCLA 4.26%

Schroders Strategic Credit Fund Fact sheet on Schroders.co.uk current yield as at 31 Aug 2020 4.5%

UBS distribution yield latest per UBS Fact Sheet (Q2 20) 4.4 %

CCLA Diversified Fund dividend yield Sept 20 - 3.46% provided by CCLA

Funding Circle yield based on net earnings to 31 Aug 2020 per Funding Circle statement

3. Yield to 30/09/20 include actuals received or notified of at this date - CCLA Property Fund, UBS & Schroders only show 1 quarter, Diversified income Fund shows 2 quarters.

4. Gryllus share capital comprises of equity shares arising from loans granted - no dividend will be paid in the current year

Market Value of Long Term Investments at 30/09/2020

Appendix B

Carrying Value	Carrying Value 31.3.2017	Carrying Value 31.3.2018	Carrying Value 30.6.2018	Carrying Value 30.9.2018	Carrying Value 31.12.2018	Carrying Value 31.3.2019	Carrying Value 30.6.2019	Carrying Value 30.9.2019	Carrying Value 31.12.2019	Carrying Value 31.03.2020	Carrying Value 30.09.2020
	£	£	£	£	£	£	£	£	£	£	£
CCLA Property Fund	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Schroders Bond Fund	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
UBS Multi Asset Fund	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
CCLA Diversification Fund	n/a	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total	10,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000

Market Value	Market Value 31.3.2017	Market Value 31.3.2018	Market Value 30.6.2018	Market Value 30.9.2018	Market Value 31.12.2018	Market Value 31.3.2019	Market Value 30.6.2019	Market Value 30.9.2019	Market Value 31.12.2019	Market Value 31.03.2020	Market Value 30.09.2020
	£	£	£	£	£	£	£	£	£	£	£
CCLA Property Fund(mid-market value)	4,082,986	4,276,854	4,299,512	4,300,362	4,369,186	4,276,005	4,346,669	4,302,769	4,302,769	4,188,063	4,013,737
Schroders Bond Fund	2,963,563	2,912,837	2,908,609	2,891,399	2,825,575	2,865,130	2,910,421	2,873,584	2,934,878	2,539,938	2,798,400
UBS Multi Asset Fund	3,018,705	2,918,160	2,895,094	2,905,148	2,777,398	2,868,479	2,916,977	2,927,623	2,957,787	2,520,713	2,721,211
CCLA Diversification Fund(indicative market value)	n/a	1,921,257	1,972,126	1,990,756	1,913,197	1,982,167	2,032,111	2,049,420	2,074,392	1,804,193	1,928,260
Total	10,065,254	12,029,108	12,075,341	12,087,665	11,885,356	11,991,781	12,206,179	12,153,396	12,269,826	11,052,907	11,461,608

Surplus/(Deficit)	Surplus/ (Deficit) 31.3.2017	Surplus/ (Deficit) 31.3.2018	Surplus/ (Deficit) 30.6.2018	Surplus/ (Deficit) 30.9.2018	Surplus/ (Deficit) 31.12.2018	Surplus/ (Deficit) 31.3.2019	Surplus/ (Deficit) 30.6.2019	Surplus/ (Deficit) 30.9.2019	Surplus/ (Deficit) 31.12.2019	Surplus/ (Deficit) 31.03.2020	Surplus/ (Deficit) 30.09.2020
	£	£	£	£	£	£	£	£	£	£	£
CCLA Property Fund	82,986	276,854	299,512	300,362	369,186	276,005	346,669	302,769	302,769	188,063	13,737
Schroders Bond Fund	(36,437)	(87,163)	(91,391)	(108,601)	(174,425)	(134,870)	(89,579)	(126,416)	(65,122)	(460,062)	(201,600)
UBS Multi Asset Fund	18,705	(81,840)	(104,906)	(94,852)	(222,602)	(131,521)	(83,023)	(72,377)	(42,213)	(479,287)	(278,789)
CCLA Diversification Fund	n/a	(78,743)	(27,874)	(9,244)	(86,803)	(17,833)	32,111	49,420	74,392	(195,807)	(71,740)
Total	65,254	29,108	75,341	87,665	(114,644)	(8,219)	206,179	153,396	269,826	(947,093)	(538,392)

Appendix B

Gross Revenue Yield	Yield	Yield	Yield	Yield	Yield	Yield	Yield	Yield
	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20
	£	%	£	%	£	%	£	%
CCLA Property Fund	164,434	4.03%	193,758	4.53%	183,989	4.30%	185,240	4.31%
Schroders Bond Fund	127,340	4.30%	105,413	3.62%	120,508	4.21%	124,418	4.33%
UBS Multi Asset Fund	100,600	3.33%	146,788	5.03%	116,513	4.06%	137,531	4.70%
CCLA Diversification Fund	n/a	n/a	62,732	3.27%	67,030	3.38%	66,284	3.23%
Total	392,375		508,691		488,040		513,473	

FY Forecast at 30-Sept-20	
Yield 20-21	Yield 20-21
30.09.2020	30.09.2020
£	%
171,000	4.26%
125,900	4.50%
119,700	4.40%
66,700	3.46%
483,300	

Surplus/(Deficit)- Capital Value	Surplus/	Surplus/	Surplus/	Surplus/	Surplus/	Surplus/	Surplus/	Surplus/
	(Deficit)	(Deficit)	(Deficit)	(Deficit)	(Deficit)	(Deficit)	(Deficit)	(Deficit)
	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20
	£	%	£	%	£	%	£	%
CCLA Property Fund	(92,996)	-2.28%	193,868	4.53%	(849)	-0.02%	(87,942)	-2.04%
Schroders Bond Fund	16,634	0.56%	(50,726)	-1.74%	(47,707)	-1.67%	(325,192)	-11.32%
UBS Multi Asset Fund	36,559	1.21%	(100,545)	-3.45%	(49,681)	-1.73%	(347,766)	-11.88%
CCLA Diversification Fund	n/a	n/a	(78,743)	-4.10%	60,910	3.07%	(177,974)	-8.68%
Total	(39,803)		(36,146)		(37,327)		(938,874)	

FY Forecast at 30-Sept-20	
Surplus/	Surplus/
(Deficit)	(Deficit)
2020/21	2020/21
£	%
(289,032)	-6.72%
(75,184)	-2.62%
(206,412)	-7.05%
(121,160)	-5.91%
(691,788)	

Net Yield	Net Yield	Net Yield	Net Yield	Net Yield	Net Yield	Net Yield	Net Yield	Net Yield
	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20
	£	%	£	%	£	%	£	%
CCLA Property Fund	71,438	1.75%	387,626	9.06%	183,140	4.28%	97,298	2.32%
Schroders Bond Fund	143,974	4.86%	54,687	1.88%	72,801	2.54%	(200,774)	-7.90%
UBS Multi Asset Fund	137,159	4.54%	46,243	1.58%	66,832	2.33%	(210,235)	-8.34%
CCLA Diversification Fund	n/a	n/a	(16,011)	-0.83%	127,940	6.45%	(111,690)	-6.19%
Total	352,572		472,545		450,713		(425,401)	

FY Forecast at 30-Sept-20	
Net Yield	Net Yield
2020/21	2020/21
£	%
(118,032)	-2.74%
50,716	1.73%
(86,712)	-2.93%
(54,460)	-2.63%
(208,488)	

Peer to Peer Investment

Funding Circle*	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20
	£	%	£	%	£	%	£	%
Carrying Value	2,003,355		2,075,341		2,056,664		1,831,028	
Interest Paid by Borrowers	181,892		181,014		184,654		193,170	
Less FC Service fee	(19,121)		(19,668)		(19,729)		-19,611	
Promotions/Transfer payment							470	
Bad Debts	(58,163)		(61,288)		(111,152)		-127,649	
Recoveries	8,219		14,780		27,428		30,253	
Amounts Recovered on principal in prior years (prior to 06.04.15)	0		0					
Net Yield	112,827	5.63%	114,838	5.53%	81,201	3.95%	76,634	4.19%*
Provisions for future losses	0		0		(10,000)			

31/08/2020 Actual	
£	%
1,415,581	
58,059	
(5,741)	
0	
(44,442)	
11,599	
19,476	1.38%

CHIEF OFFICER SUB-COMMITTEE

Minutes of the virtual meeting of the Sub-Committee held on the 13th November 2020 at 2.00 p.m.

PRESENT:

Sub-Committee Members:

Councillors Blackwell, Botten, Elias, Milton and Sayer.

Officers:

Lidia Harrison (Head of Legal Services and Monitoring Officer)

Vince Sharp (Case Officer – Support Services)

1. ELECTION OF CHAIR

Councillors Elias and Sayer were nominated (by Councillors Milton and Botten respectively)

Upon being put to a vote, Councillor Sayer was elected Chair.

SUB-COMMITTEE DECISION (Under powers delegated to the Sub-Committee)

2. RECRUITMENT OF A PERMANENT CHIEF EXECUTIVE

It was resolved that this matter be dealt with in 'Part 2' as it disclosed exempt information as defined in paragraph 1 of Part 1 of Schedule 12A to the Local Government Act 1972 (*information relating to an individual*).

The former Acting Chief Executive, Elaine Jackson, had left the Council on 23rd October 2020 on terms agreed by the Sub-Committee at its meeting on 22nd October 2020. At that that meeting, the Sub-Committee had also agreed that, "*the role of the Head of Paid Service be delegated to the Executive Head of Corporate Resources [Jackie King] from 26th October 2020 until an interim or permanent member of staff is engaged into the Chief Executive post*" and that [Jackie King] be asked to:

- (i) commence work with the LGA to broker conversations with other local authorities with a view to providing interim cover on a shared service arrangement until a permanent replacement can be recruited and that any such proposals are brought back to the Sub-Committee for a decision as to whether or not to pursue further interviews with interims;*
- (ii) collate and shortlist a selection of suitable candidates for both the interim and permanent appointments through the LGA, PENNA and SOLACE;*
- (iii) prepare a recruitment framework for the interim appointment, including timeline and a set of interview questions (the LGA had offered to provide a technical assessor to sit on the panel to assist Sub-Committee members at no cost to the Council); and*
- (iv) ensure full costings are prepared for each option.*

It had since transpired that an interim appointment would be cost prohibitive. The Sub-Committee considered a report which recommended that Jackie King should remain as the Acting Chief Executive for a period of up to six months, pending the recruitment of a permanent Chief Executive. This period would be reduced if a permanent appointment could be made before the local elections in May 2021. The report also recommended that the Executive Head of Corporate Resources post be backfilled during the transition period.

The report advised that the Chief Finance Officer supported both proposals on the basis that they would be cost neutral within the current 2020/21 budget.

The Chair proposed an additional motion to clarify the Sub-Committee's role in the process for shortlisting applications for the Chief Executive post. This was agreed (resolution D below refers).

RESOLVED – that

- A. the option to recruit an interim Chief Executive be no longer pursued;
- B. for a period of up to 6 months, pending the appointment of a permanent Chief Executive, Jackie King remain in the post of Acting Chief Executive;
- C. the Executive Head of Corporate Resources post be backfilled during the transition period; and
- D. the Sub-Committee re-convene to consider all applications:
 - (i) forwarded by the recruitment agency (on the basis that they meet the basic selection criteria); and
 - (ii) via other channels... for shortlisting.

The meeting ended at 2.10 p.m.