



A meeting of **HUNTINGDONSHIRE DISTRICT COUNCIL** will be held in the **CIVIC SUITE, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN** on **WEDNESDAY, 4 DECEMBER 2019** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

## **AGENDA**

### **PRAYER**

The Venerable Hugh McCurdy, Archdeacon of Huntingdon and Wisbech will open up the meeting with prayer.

### **APOLOGIES**

**1. MINUTES** (Pages 5 - 10)

To approve as a correct record the Minutes of the meeting of the Council held on 9th October 2019.

**Time Allocation: 2 Minutes.**

**2. MEMBERS INTERESTS'**

To receive from Members declarations as to disclosable pecuniary or non-statutory disclosable interests in relation to any Agenda item. See Notes below.

**Time Allocation: 2 Minutes.**

**3. CHAIRMAN'S ENGAGEMENTS AND ANNOUNCEMENTS** (Pages 11 - 12)

To note the Chairman's engagements since the last Council meeting.

**Time Allocation: 5 Minutes.**

**4. QUESTIONS TO MEMBERS OF THE CABINET**

Questions to Members of the Cabinet.

In accordance with Council Procedure Rule, all questions

- ❖ Must be relevant to matters for which the Council has powers or duties

- ❖ Must not relate to an item which is included elsewhere on the Council agenda
- ❖ Should be limited to obtaining information or pressing for action; and
- ❖ Should not exceed two minutes in duration.

Questions should not divulge or require to be divulged, confidential or exempt information.

**Time Allocation: 20 Minutes**

**5. TREASURY MANAGEMENT SIX MONTH PERFORMANCE (Pages 13 - 38)**

Councillor J A Gray, Executive Councillor for Strategic Resources to present the six-monthly update in respect of treasury management activity, including investment and borrowing activity and treasury performance.

**Time Allocation: 10 Minutes.**

**6. ELECTION OF EXECUTIVE LEADER OF THE COUNCIL (Pages 39 - 42)**

To consider a report by the Managing Director on the election of the Executive Leader of the Council.

**7. APPOINTMENT OF CABINET AND DEPUTY LEADER OF THE COUNCIL**

The Executive Leader to announce the names of –

- (a) a maximum of nine Councillors who shall be Members of the Cabinet;
- (b) a Deputy Executive Leader who shall be a Member of the Cabinet;  
and
- (c) the consequent ex-officio appointments to the Development Management, Employment, Licensing and Protection and Licensing Committees.

(The Deputy Executive Leader is appointed by the Executive Leader until the end of the term of office of the Executive Leader, he/she resigns from the office, or he/she is removed from office by the Executive Leader.

**8. CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY - UPDATE (Pages 43 - 54)**

Councillor G J Bull, to present on the activities of the Cambridgeshire and Peterborough Combined Authority.

Councillors D B Dew and Mrs P A Jordan to provide an update on the Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee.

Decision summaries for the October meetings of the Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee and Board are attached to the Agenda for information.

Details of the November meetings have not yet been made available.

In accordance with the Protocol agreed at the February 2017 meeting, this item provides an opportunity for District Council Members to ask questions and comment on Cambridgeshire and Peterborough Combined Authority issues.

If Members wish to raise questions or issues requiring a detailed response, it would be helpful if they can provide prior notice so that the necessary information can be obtained in advance of the meeting.

**Time Allocation: 20 Minutes.**

**9. CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY - MEMBERSHIP AND APPOINTMENTS**

Following the election of a new Executive Leader to appoint the Leader of the Council to act as the Council's appointee to the Combined Authority and one substitute member from the Conservative Group.

**10. OUTCOMES FROM COMMITTEES AND PANELS (Pages 55 - 56)**

An opportunity for Members to raise any issues or ask questions arising from recent meetings of the Council's Committees and Panels.

A list of meetings held since the last Council meeting is attached for information and Members are requested to address their questions to Committee and Panel Chairmen.

**Time Allocation: 10 Minutes.**

**11. VARIATIONS TO THE MEMBERSHIP OF COMMITTEES AND PANELS**

Group Leaders to report on variations to the Membership of Committees and Panels if necessary.

**Time Allocation: 5 Minutes.**

26th day of November 2019



Head of Paid Service

## **Disclosable Pecuniary Interests and Non-Statutory Disclosable Interests**

Further information on [Disclosable Pecuniary Interests and Non - Statutory Disclosable Interests](#) is available in the Council's Constitution

## **Filming, Photography and Recording at Council Meetings**

The District Council permits filming, recording and the taking of photographs at its meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening at meetings.

Arrangements for these activities should operate in accordance with [guidelines](#) agreed by the Council.

**Please contact Mrs Lisa Jablonska, Elections and Democratic Services Manager, Tel No. 01480 388004/e-mail Lisa.Jablonska@huntingdonshire.gov.uk if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Council.**

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.

Agenda and enclosures can be viewed on the [District Council's website](#).

### **Emergency Procedure**

In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.

## HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the COUNCIL held in the Civic Suite, Pathfinder House, St Mary's Street, Huntingdon PE29 3TN on Wednesday, 9 October 2019

PRESENT: Councillor R J West – Chairman.

Councillors J D Ablewhite, B S Banks, Mrs M L Beuttell, G J Bull, E R Butler, S Bywater, B S Chapman, J R Clarke, Mrs S Conboy, J C Cooper-Marsh, S J Corney, S J Criswell, J W Davies, D B Dew, Ms A Diaz, Mrs A Dickinson, R Fuller, Dr P L R Gaskin, Mrs S A Giles, J A Gray, M S Grice, K P Gulson, M J Humphrey, Dr N Johnson, Mrs P A Jordan, P Kadewere, D N Keane, C J Maslen, H V Masson, L W McGuire, J Neish, J M Palmer, K I Prentice, T D Sanderson, Mrs P E Shrapnel, Mrs J Tavener, D Terry, D M Tysoe, D J Wells and Mrs S R Wilson.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors T D Alban, R E Bellamy, D A Giles, D J Mead, J P Morris, Mrs S Smith, R G Tuplin, S Wakeford and J E White.

### **28 PRAYER**

Dawn Colley, RAF Wyton Padre, opened the meeting with Prayer.

### **29 MINUTES**

Subject to the replacement of the word “temporary” with the words “B&B” in the eighth line of the thirteenth paragraph of Item No. 18, the Minutes of the meeting of the Council held on the 24th July 2019 were approved as a correct record and signed by the Chairman.

### **30 MEMBERS INTERESTS**

Councillors T D Sanderson, Ms P E Shrapnel, P Kadewere and Ms A Diaz declared non-statutory disclosable interests in Item No. 35 by virtue of their membership of Huntingdon Town Council.

### **31 LOCAL GOVERNMENT ACT 1972: SECTION 89 - GODMANCHESTER AND HEMINGFORD ABBOTS WARD**

The Returning Officer reported that following a by-election in the Godmanchester and Hemingford Abbots Ward on 1st August 2019, Councillor Sarah Wilson had been elected to the District Council.

### **32 CHAIRMAN'S ENGAGEMENTS AND ANNOUNCEMENTS**

The Council noted those engagements attended by the Chairman and Vice-Chairman since the last meeting (a copy of which is appended in the Minute

Book). In doing so, the Chairman drew particular attention to the Oxmoor Community Garden Groundwork Awards which had assisted unemployed individuals to improve their confidence and to find further employment.

### **33 MAYOR OF CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY**

The Chairman welcomed the Mayor of Cambridgeshire and Peterborough Combined Authority, Mr James Palmer, to the meeting. By way of introduction, Mr Palmer updated Members with details of the additional funding of £1.2bn for the Combined Authority that had been secured since its inception and welcomed the invitation that had been extended to him to provide responses to questions that Members had submitted in advance of the meeting.

In response to a question from Councillor J P Morris regarding investment in cycling and walking infrastructure, Mr Palmer explained that whilst it was not part of the strategic nature of his responsibility, the Cambridge Autonomous Metro (CAM) was being brought forward to encourage more walking and cycling and was intrinsically part of the single largest local government project in the UK. In addition, investment into cycling was an integral part of the masterplans for the four market towns within the District.

With reference to questions from Councillor D A Giles, Mr Palmer reiterated that the Cambridge Autonomous Metro was one of the most ambitious projects being undertaken. Members noted the business case had been outlined to the Board in July 2019 and a meeting of the Board had been set up tomorrow to see this through to the business stage. The project was designed to deliver a transport solution for all and encourage growth in and around Cambridgeshire, with St Neots directly benefiting. Mr Palmer also referred to a meeting he was attending tomorrow in Oxford on the East/West rail link to set out the Combined Authorities position on the proposals and explained that, although the District Council had indicated a preference for the northern route, the Combined Authority would be mindful of the needs of Huntingdonshire. Mr Palmer explained that he had been in consultation with Highways England in terms of how the plans for the upgrading of the A428 would affect the CAM and was keen to get the best possible solution.

Arising from a question from Councillor S Bywater on support for small businesses in Sawtry, Mr Palmer explained that the Combined Authority had provided business advice and grant funding to support existing businesses. He encouraged local businesses to get in touch to support the development of apprenticeships and jobs growth in the area.

Councillor J M Palmer raised a question in relation to his concerns that Ramsey had been overlooked from the Combined Authorities proposed Transport Strategy. In response the Mayor explained that the Strategic Bus Review had highlighted that the existing bus services were inadequate and work was ongoing with Homes England and Urban and Civic to look at the opportunities for the Metro to be extended from St Ives to Alconbury. An early stage report had also been funded into the potential of also extending the link to Ramsey. Members were reminded that the delivery of the Metro was about providing homes and the Mayor wanted to ensure that there was an opportunity to link up the entire County.

Mr Palmer responded to a question by Councillor Ms A Dickinson on the progress of the third river crossing and reported that given the growth in the area this was essential infrastructure and was open to a feasibility study.

Arising from a question by Councillor K Prentice on the proposed East-West rail line, Mr Palmer outlined his concerns should the preferred route fall to the south of St Neots. The Council was advised that work was ongoing with the Department for Transport and East West Rail to encourage the route as near as possible to enhance the town.

In response to questions from Councillor B S Chapman, Mr Palmer referred to his previous answer on the East-West rail route and explained that he was working with the District Council to ensure that delivery of major infrastructure would reflect local concerns. Should the preferred route fall to the south of St Neots, a solution would be needed to resolve the issues relating to access to the station within the town.

Mr Palmer went on to explain that housing growth remained one of the key projects for the Combined Authority. Members were reminded that a target had been set to deliver 1K low cost homes and £100k homes for first time buyers. Members were also reminded that £4.1m of investment had been committed to the St Neots Masterplan and work was ongoing with regard to post-16 education and adult education which it was hoped would provide further scope to re-train and take up opportunities across the area.

Mr Palmer responded to a question from Councillor P L R Gaskin on the investments which the Combined Authority has earmarked for St Neots and the surrounding villages. These included the reform of the bus services, the Cambridge Autonomous Metro and improvements to the A14 and A428. All of which demonstrated the massive investment that was being delivered to this part of the County.

Arising from a question from Councillor D Wells on the timescale for the Cambridge Autonomous Metro and the potential for the early implementation of a line from Cambridge to St Neots, Mr Palmer confirmed that the Combined Authority could deliver this.

Mr Palmer concluded his presentation by extending an invitation to all Members to contact him directly if they had any additional queries.

## **34 CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY**

In conjunction with the decision summaries of the recent meetings of the Cambridgeshire and Peterborough Combined Authority, Councillor G J Bull presented an update of their activities. (Copies of the decision summaries are appended in the Minute Book). Particular attention was drawn to the Combined Authority ongoing key projects, including the Huntingdon Third River Crossing, Cambridge Autonomous Metro (CAM) and the East-West Arc Infrastructure from Oxford to Cambridge.

Councillors D B Dew provided an update on the Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee and advised Members that the Committee had been focussing their attention on two to three key strategic items where they could add value, paying particular

attention to the Local Transport Plan, the CAM and the bus review. Members were also acquainted with their scrutiny of the viability of the University of Peterborough.

Finally, Members were provided with an update on the Cambridgeshire and Peterborough Audit and Governance Committee by Councillor L W McGuire. Councillor McGuire highlighted the concerns expressed by the Committee regarding the performance of the Auditors and the impact this had had on each constituent Council.

### **35 HUNTINGDON NEIGHBOURHOOD PLAN**

Having regard to a report by the Planning Policy Team Leader (a copy of which is appended in the Minute Book) on the referendum of the Huntingdon Neighbourhood Plan held on 19th September 2019, the Managing Director acquainted Members with the results of the referendum with 87% voting in favour of supporting the making of the Neighbourhood Plan. As the result exceeded the 50% threshold, the Council was required to make the Neighbourhood Plan part of the statutory development plan for Huntingdonshire.

In moving the recommendation that was duly seconded by Councillor G J Bull, Councillor R Fuller thanked the Officers involved, the community and Huntingdon Town Council. Councillor T D Sanderson also commended Hayley Burns at Huntingdon Town Council for her work on the Plan. Whereupon, the Council

RESOLVED

that the Huntingdon Neighbourhood Plan as attached at Appendix 1 to the report now submitted be adopted with immediate effect to become part of the statutory development plan for Huntingdonshire.

### **36 POLLING DISTRICTS AND POLLING PLACES REVIEW**

Having regard to a report by the Elections and Democratic Services Manager (a copy of which is appended in the Minute Book), the Chairman of the Corporate Governance Committee, Councillor L W McGuire, acquainted Members with details of the outcome of a review of polling districts and polling places as required by Section 16 of the Electoral Administration Act 2006. Whereupon, it was

RESOLVED

that the Schedule of Polling Districts and Polling Places 2019 as appended to the report now submitted be approved.

### **37 APPOINTMENT OF INTERIM CHIEF FINANCE OFFICER AND SECTION 151 OFFICER**

With the assistance of a report by the Managing Director (a copy of which is appended in the Minute Book) regarding the legislative duty placed on the Council to appoint a Section 151 Officer, the Council were reminded that the designation was held currently by the Head of Resources who would shortly be leaving the Council's service. Whereupon, it was



RESOLVED

that Claire Edwards, Finance Manager, be appointed as the Council's Chief Finance Officer/Section 151 Officer on an interim basis commencing on 14th October 2019 for a period of time not exceeding 12 months.

### **38 QUESTIONS TO MEMBERS OF THE CABINET**

*(Councillor M Humphrey entered the meeting at 8.15pm).*

Councillor D N Keane asked about the impact of online shopping and the need to ensure that the town centres remain a viable destination to visit for retail, possibly through the provision of free car parking. In response Councillor Ms M Beuttell, Executive Councillor for Operations and Regulation explained that there had been numerous studies around the provision of free car parking but there would always be the environmental, social or financial cost. She reiterated that the District Council's decision surrounding the new system of car parking charges enabled greater choice of flexibility for the shopper to encourage longer parking times.

Councillor P Kadewere raised a question regarding the impact of a no deal Brexit, specifically relating to the smooth running of schools and the contingency plans which the District Council had put in place should there be potential food, medicine or fuel shortages or an increase in safeguarding referrals. In response, the Executive Leader, Councillor G J Bull, explained that the District Council had the necessary plans in place, with key Officers liaising regularly with external agencies. He was confident that there would be mechanisms in place to be able to deal with any implications.

Councillor B S Chapman asked how increasing the car parking charges would aid and support the town centre economy. He asked how it was possible to reconcile the suggested contradiction that increasing the minimum stay times would increase the length of time visitors to the town centre remained and as detailed in the report to Cabinet on 14th February 2019 the new charges had been assessed on 10-30% fall in car park usage. In response Councillor Ms M Beuttell hit back at Councillor Chapman's claims and suggested that he had been spreading lies regarding the car parking charges, as well as abuse against her personally and the Managing Director on Facebook and Black Cat Radio, which suggested that she had circumvented the Council's Constitution to achieve the aim of increasing car parking charges. These were blatant lies and the proper procedures had been followed and scrutinised throughout. She further stated that Councillor Chapman had not produced any evidence of his suggestion that when he was Portfolio Holder that if the Council reduced car parking charges this would generate more revenue. The Chairman concluded the discussion on this question and stated that this had received full scrutiny with all Members fully briefed and party to the consultation on the development of the car parking strategy.

Councillor J M Palmer responded to a question from Councillor T D Sanderson on the parks and open spaces review and also provided an update on the negotiations with Cambridgeshire County Council on the redevelopment of Hinchingsbrooke Country Park. He explained that work was being drawn up with a consultant and a public consultation had recently been concluded on the District Councils Parks and Open Spaces Strategy.

Arising from a question by Councillor K Prentice on Community Infrastructure Levy (CIL) funding for St Neots, Councillor R Fuller, Executive Councillor for Housing, Planning and Economic Development confirmed that the suggestions by another Member that CIL funding already agreed for St Neots Riverside Park was not in fact CIL funding were false. Councillor Fuller explained that the CIL funding for St Neots projects that had been agreed by the Cabinet was additional investment in the town that was not linked to previous Section 106, Combined Authority or County Council funding. Councillor Fuller reported that this Council had awarded nearly £500k for the new projects in the Riverside Park and the town centre and was keen to emphasise the positive benefits that these projects would deliver.

### **39 OUTCOMES FROM COMMITTEES AND PANELS**

A copy of the list of meetings held since the last meeting of the Council on 24th July 2019 is appended in the Minute Book and Members were advised that any issues or questions could be raised in relation to these meetings.

Councillor Mrs S J Conboy asked for reassurance with regards to the level of resources in the Internal Audit Team and the impact this may have upon the delivery of sound quality assurance processes and potentially the Council's reputation. In response, Councillor L W McGuire the Chairman of the Corporate Governance Committee reported that these issues were being addressed by the Internal Audit Manager.

### **40 VARIATIONS TO THE MEMBERSHIP OF COMMITTEES AND PANELS**

On the recommendation of Councillor G J Bull and Councillor Mrs S J Conboy, it was

RESOLVED

- (a) that Councillor D B Dew be appointed to the Development Management Committee in place of Councillor R J West;
- (b) that Councillor K Gulson be appointed to the Overview and Scrutiny Panel (Performance and Growth) in place of Councillor Ms A Dickinson;
- (c) that Councillor Mrs S Wilson be appointed to the Overview and Scrutiny Panel (Customers and Partnerships) in place of Councillor Mrs S J Conboy;
- (d) that Councillor Mrs S Wilson be appointed to the Corporate Governance Committee in place of Mrs S J Conboy.

The meeting ended at 8.20pm.

Chairman

## CHAIRMAN'S ENGAGEMENTS

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| <b>Date</b>          | <b>Venue/Event</b>   |
|----------------------|--|
| <b>October 2019</b>  |  |
| 13                   | Civic Service, St Mary's Church Godmanchester<br>National Hate Crime Week Awareness Event Huntingdon |
| 16                   | Princess Royal visit to Hotel Chocolat, Huntingdon   |
| 19                   | Royal Society of Saint George Dinner   |
| 24                   | Chorus Homes Community Inspiration Awards  |
| 26                   | Poppy Appeal Launch Huntingdon Town Hall   |
| 30                   | Health Walk, Godmanchester   |
| <b>November 2019</b> |  |
| 1                    | Huntingdonshire Business Awards  |
| 2                    | The Time is Now Climate Emergency at St Neots  |
| 10                   | Remembrance Sunday Service, Godmanchester  |
| 12                   | Dementia Friend Event at Great Paxton  |
| 13                   | St Neots Youth Presentation Evening  |
| 17                   | Road Victim's Trust Remembrance Service  |
| 22                   | Mayor of Godmanchester's Civic Supper  |
| 25                   | Thanksgiving and Pie Social RAF Alconbury  |

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**Public**  
**Key Decision - No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title:** Treasury Management Six Month Performance Review

**Meeting/Date:** Council – 4th December 2019

**Executive Portfolio:** Executive Councillor for Strategic Resources, Councillor J A Gray

**Report by:** Finance Manager (Section 151 Officer)

**Ward(s) affected:** All Wards

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### **Executive Summary:**

Best practice and prescribed treasury management guidance requires Members to be kept up to date in respect of treasury management activity for the first half of the year, including investment and borrowing activity and treasury performance.

The Council's 2019/20 Treasury Management Strategy was approved by the Council on the 27<sup>th</sup> February 2019 and this report sets out the Treasury Performance for period between 1<sup>st</sup> April 2019 and 30<sup>th</sup> September 2019.

### **The main purpose of Treasury Management is to;**

- Ensure the Council has sufficient cash to meet its day to day obligations.
- Borrow when necessary to fund capital expenditure, including borrowing in anticipation of need when rates are considered to be low.
- Invest surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest.

### **The key market Treasury Management issues through the first half of 2019/20 influencing the Council's decision-making were;**

- Economic growth forecasts are still more pessimistic due to the Brexit uncertainty, and real wage growth was up to 1.9% excluding bonuses after adjusting for inflation. The unemployment rate edged back down to 3.8% while the employment rate remained at 76.1%.
- Politics at home and abroad continued to be a big driver of financial markets over the last quarter. We have had a new Prime Minister- Boris Johnson since the last report was presented to the Cabinet.

- The Bank of England has maintained Bank Rate at 0.75%, and its August Inflation Report indicated the deterioration in global activity and sentiment. Therefore, the direction of interest rates could be in either direction depending on whether or not a deal is reached.
- Market rates as a whole are very low, due to the Bank Rate remaining historically low, reducing the Council's ability to earn a return on investments without increasing the risk of the investments. The Council's average investing rate was 0.59% (average interest rates obtained from Bank Deposits and Money Market Funds).

#### **The Council's responses to the key issues were;**

- When the Council has surplus funds these will primarily be invested on a short term basis, in bank deposit accounts and money market funds.
- Where possible to take a higher return without sacrificing liquidity.
- When borrowing the Council has used the Public Works Loan Board (PWLB), which offers low fixed rate borrowing, based on gilt yields over a long period. The average interest rate paid was 2.76%.
- Where economic conditions are forecast to deteriorate it is vital to monitor financial institutions credit rating, and credit default swap rates (the cost to insure lending). This information is provided by the Council's treasury adviser- Arlingclose.

#### **The Council's Commercial Investment Strategy (CIS)**

The Commercial Investment Strategy commenced in 2015/16. Indicators relating to the investments are shown in **Appendix A section 3.5**.

The returns from the CIS portfolio represent a higher return than those from financial institutions and in addition offer a less risky investment as they are backed by a physical asset.

These investments generated £2.8m of investment income for the Council in 2018/19 after taking account of direct costs, representing a rate of return of 6.1%. The breakdown of the properties portfolio is shown in **Table 6** and the proportion of the investment income in relation to gross service expenditure, in **Table 7 of Appendix A**.

#### **Recommendation(s):**

The Council is recommended to

- Note the treasury management performance for the first 6 months of 2019/20 and to recommend the report to Council for consideration.

## **1. PURPOSE OF THE REPORT**

- 1.1 The purpose of this report is to update Members on the Council's treasury management activity for the first 6 months of the year, including investment and borrowing activity and treasury performance.

## **2. BACKGROUND**

- 2.1 It is regarded as best practice and prescribed treasury management practice, that Members are kept up to date with treasury management activity.
- 2.2 The Council approved the 2019/20 Treasury Management Strategy at its meeting on 27th February 2019.
- 2.3 All treasury management activity undertaken during the first half of 2019/20 complied with the CIPFA Code of Practice and relevant legislative provisions.
- 2.4 The investment strategy is to invest any surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest. The Council's borrowing strategy permits borrowing for cash flow purposes and funding current and future capital expenditure over whatever periods are in the Council's best interests.

## **3. ANALYSIS**

### **Economic Review**

- 3.1 An economic review of the year has been provided by our Treasury Management advisors, Arlingclose and is attached with an analysis of the local context implications in **Appendix A section 2.0**. The main relevance to the Council is
- Economic growth still remains very low and the quarterly National Accounts for Q2 GDP confirmed the UK economy contracted by 0.2%.
  - Real wage growth improved by 1.9% excluding the bonuses and 2.1% if bonuses were included. Employment growth has been softening and rose just by 31,000 in the three month to July.
  - Inflation fell to 1.7% year/year in August. This was below the Bank of England forecast.
  - The bank rate was kept at 0.75%. As a consequence the Council's borrowing costs will remain low but the opportunities to make significant returns on financial investments remain limited but improving.
  - Politics both at home abroad were still a big driver of financial markets over the last quarter.

### **Performance of Council Funds**

- 3.2 The treasury management transactions undertaken during the first 6 months of 2019/20 financial year and the details of the investments and

loans held as at 30th September 2019 are shown in detail in **Appendix A section 3.0 to 3.2.**

### **Risk Management**

- 3.3 The Council's primary objectives for the management of its investment are to give priority to the security and liquidity (how quickly cash can be accessed) of its funds before seeking the best rate of return. For more details see **Appendix A section 3.3.**

### **Readiness for Brexit**

- 3.4 The scheduled date for the UK to leave the EU is now 31st October 2019 and there remains little political clarity as to whether a deal will be agreed by this date. The step being taking by this Council to ensure money invested in Money Market Funds are secure is stated in **Appendix A section 3.4.**

### **Non Treasury Investments**

- 3.5 The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Council as well as other non financial assets which the Council holds primarily for financial return. The full details of these investments can be found on **Section 3.5 of Appendix A.**

### **Compliance**

- 4.0 Compliance with specific investment and debt limits are indicated in table **8 and 9 of Appendix A.**

### **Treasury Management Indicators**

- 5.0 The Council measures and manages its exposure to treasury management risks using indicators which are details in the **Appendix A section 5.0.**

## **6. COMMENTS OF OVERVIEW AND SCRUTINY**

- 6.1 The Panel received the Treasury Management Six Month Performance Review at its meeting on 5th November 2019.
- 6.2 Following a query on long term borrowing, the Executive Councillor for Resources stated that borrowing was predominantly for property purchases under the Commercial Investment Strategy (CIS).
- 6.3 The issue of the current CIS property values was raised. It was recognised that this is a technical accounting exercise and what is shown is the current property values before new leases are negotiated and in place.



## List of Appendices Included

### Appendix A

- Economic review (source: Arlingclose)
- Borrowing and Investment as at 30th September 2019
- Risk Management
- Readiness for Brexit
- Non-treasury Investments
- Treasury Management Indicators
- Outlook for the remainder of 2019/20

### Appendix B


- Capital Prudential Indicators

### Appendix C


- Glossary

## CONTACT OFFICES

Claire Edwards, Finance Manager

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Sue Martin, Senior Business Finance Partner

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### Treasury Management Six Month Performance Review

#### 1.0 Introduction

The Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve treasury management semi-annual and annual reports.

The Council's treasury management strategy for 2019/20 was approved at a meeting on 27<sup>th</sup> February 2019. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remain central to the Council's treasury management strategy.

The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Council's Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 27<sup>th</sup> February 2019.

#### 2.0 External Context

##### 2.1 Economic background

###### Inflation

UK Consumer Price Inflation (CPIH) fell to 1.7% year/year in August 2019 from 2.0% in July, weaker than the consensus forecast of 1.9% and below the Bank of England's target.

In local context, the inflationary pressures have eased and as a result there is reducing pressure on some budgets. However, the MTFs forecast should factor in the rate of inflation in order to accommodate increase in prices in medium to long term.

###### Labour Market

The most recent labour market data for the three months to July 2019 showed the unemployment rate edged back down to 3.8% while the employment rate remained at 76.1%, the joint highest since records began in 1971. Nominal annual wage growth measured by the 3-month average excluding bonuses was 3.8% and 4.0% including bonuses. Adjusting for inflation, real wages were up 1.9% excluding bonuses and 2.1% including.

In local context, the Council may find it harder to recruit suitable skilled staff and

may have to offer a higher starting salary to attract skilled workers.

### **Economic Growth**

The Quarterly National Accounts for Q2 GDP confirmed the UK economy contracted by 0.2% following the 0.5% gain in Q1 which was distorted by stockpiling ahead of Brexit. Only the services sector registered an increase in growth, a very modest 0.1%, with both production and construction falling and the former registering its largest drop since Q4 2012. Business investment fell by 0.4% (revised from -0.5% in the first estimate) as Brexit uncertainties impacted on business planning and decision-making.

Locally, the challenging conditions in the economy will impact on the Council's services that are income earning.

### **Politics**

Politics both home and abroad, continued to be a big driver of financial markets over the last quarter. Boris Johnson won the Conservative Party leadership contest and has committed to leaving the EU on 31<sup>st</sup> October regardless of whether a deal is reached with the EU.

Withdrawal from the EU may create skills shortages especially in the construction and tourism industries. Whilst it seems to have a no direct impact on the Council, there may be a role for the Council to engage with the local economy to help to support local businesses where there are skills shortages.

### **Global Monetary Policy**

Tensions continued between the US and China with no trade agreement in sight and both countries imposing further tariffs on each other's goods. The US Federal Reserve cut its target Federal Funds rates by 0.25% in September to a range of 1.75% - 2%, a pre-emptive move to maintain economic growth amid escalating concerns over the trade war and a weaker economic environment leading to more pronounced global slowdown. The euro area Purchasing Manager Indices (PMIs) pointed to a deepening slowdown in the Eurozone. These elevated concerns have caused key government yield curves to invert, something seen by many commentators as a predictor of a global recession. Market expectations are for further interest rate cuts from the Fed and in September the European Central Bank reduced its deposit rate to -0.5% and announced the recommencement of quantitative easing from 1<sup>st</sup> November.

A reduction in economic activity could have an adverse effect on the Council's trading operations (e.g. CIS, Markets, Car Parks, Building Control, Development Control and leisure); as well as receipts from business rates and council tax.

## **Interest Rates Forecast**

The Bank of England maintained Bank Rate at 0.75% and in its August Inflation Report noted the deterioration in global activity and sentiment and confirmed that monetary policy decisions related to Brexit could be in either direction depending on whether or not a deal is ultimately reached by 31<sup>st</sup> October.

The historical low level of interest rates, have made it difficult to achieve a higher rates returns on investment.

## **2.2 Financial markets**

After rallying early in 2019, financial markets have been adopting a more risk-off approach in the following period as equities saw greater volatility and bonds rallied (prices up, yields down) in a flight to quality and anticipation of more monetary stimulus from central banks. The Dow Jones, FTSE 100 and FTSE 250 are broadly back at the same levels seen in March/April.

Gilt yields remained volatile over the period on the back of ongoing economic and political uncertainty. From a yield of 0.63% at the end of June, the 5-year benchmark gilt yield fell to 0.32% by the end of September. There were falls in the 10-year and 20-year gilts over the same period, with the former dropping from 0.83% to 0.55% and the latter falling from 1.35% to 0.88%. 1-month, 3-month and 12-month LIBID (London Interbank Bid) rates averaged 0.65%, 0.75% and 1.00% respectively over the period.

Recent activity in the bond markets and PWLB interest rates highlight that weaker economic growth remains a global risk. The US yield curve remains inverted with 10-year Treasury yields lower than US 3-month bills. History has shown that a recession hasn't been far behind a yield curve inversion. Following the sale of 10-year Bunds at -0.24% in June, yields on German government securities continue to remain negative in the secondary market with 2 and 5-year securities currently both trading around -0.77%.

## 2.3 Credit background

Credit Default Swap (CDS) spreads rose and then fell again during the quarter, continuing to remain low in historical terms. After rising to almost 120bps in May, the spread on non-ring-fenced bank NatWest Markets plc fell back to around 80bps by the end of September, while for the ring-fenced entity, National Westminster Bank plc, the spread remained around 40bps. The other main UK banks, as yet not separated into ring-fenced and non-ring-fenced from a CDS perspective, traded between 34 and 76bps at the end of the period.

There were minimal credit rating changes during the period. Moody's upgraded The Co-operative Bank's long-term rating to B3 and Fitch upgraded Clydesdale Bank and Virgin Money to A-.

## 3.0 Local Context

On 31<sup>st</sup> March 2019, the Council had net borrowing of £13.08m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

|                                      | <b>31.3.19<br/>Estimate<br/>£m</b> | <b>31.3.19<br/>Actual<br/>£m</b> |
|--------------------------------------|------------------------------------|----------------------------------|
| <b>General Fund CFR</b>              | 44.60                              | 57.70                            |
| <b>Less: *Other debt liabilities</b> | 0.50                               | 0.50                             |
| <b>Total CFR</b>                     | <b>44.10</b>                       | <b>58.20</b>                     |
| <b>External borrowing</b>            | 20.70                              | 28.53                            |
| <b>Internal borrowing</b>            | <b>23.40</b>                       | <b>29.67</b>                     |
| <b>Less: Usable reserves</b>         | 39.40                              | 43.12                            |
| <b>Less: Working capital</b>         | 4.00                               | 9.04                             |
| <b>Net Investing</b>                 | <b>20.00</b>                       | <b>22.49</b>                     |

The Council pursued its strategy of keeping borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low.

The treasury management position at 30<sup>th</sup> September 2019 and the change during the year is shown in Table 2 below.

Table 2: Treasury Management Summary

|                                      | <b>31.3.19<br/>Balance<br/>£m</b> | <b>Movement<br/>£m</b> | <b>30.9.19<br/>Balance<br/>£m</b> | <b>30.9.19<br/>Rate<br/>%</b> |
|--------------------------------------|-----------------------------------|------------------------|-----------------------------------|-------------------------------|
| <b>Long-term borrowing</b>           | 28.53                             | 11.70                  | 40.23                             | 2.76                          |
| <b>Short-term borrowing</b>          | 0.00                              |                        | 0.00                              |                               |
| <b>Total borrowing</b>               | <b>28.53</b>                      |                        | <b>40.23</b>                      |                               |
| <b>Long-term investments</b>         | 12.53                             | 0.12                   | 12.41                             | 3.85                          |
| <b>Short-term investments</b>        | 1.00                              | (1.00)                 | 0.00                              |                               |
| <b>Cash and cash<br/>equivalents</b> | 1.92                              | 14.13                  | 16.05                             | 0.59                          |
| <b>Total investments</b>             | <b>15.45</b>                      |                        | <b>28.46</b>                      | <b>3.38</b>                   |
| <b>Net borrowing</b>                 | <b>13.08</b>                      |                        | <b>11.77</b>                      |                               |

The large movement in long-term borrowing was as a result of additional borrowing of £11.96m on the 26<sup>th</sup> June 2019 from PWLB to fund the asset purchase of CMS Distribution TriLink, Wakefield Europort. The total cost of this asset was £14.42m and the remaining £2.46m amount was funded by internal borrowing.

The movement in the cash and cash equivalent has been as result of council tax and NNDR receipts; these funds were invested in bank deposits and Money Market Funds for easy access and liquidity reasons.

### **3.1 Borrowing Strategy during the period**

At 30<sup>th</sup> September 2019 the Council held £40.23m of loans, an increase of £11.70m to 31<sup>st</sup> March 2019, as part of its strategy for funding CIS programmes. Outstanding loans on 30<sup>th</sup> September are summarised in Table 3 below.

Table 3: Borrowing Position

|                                       | <b>31.3.19</b> | <b>Net</b>      | <b>30.9.19</b> | <b>30.9.19</b>  | <b>30.9.19</b>  |
|---------------------------------------|----------------|-----------------|----------------|-----------------|-----------------|
|                                       | <b>Balance</b> | <b>Movement</b> | <b>Balance</b> | <b>Weighted</b> | <b>Weighted</b> |
|                                       | <b>£m</b>      | <b>£m</b>       | <b>£m</b>      | <b>Average</b>  | <b>Average</b>  |
|                                       |                |                 |                | <b>Rate</b>     | <b>Maturity</b> |
|                                       |                |                 |                | <b>%</b>        | <b>(years)</b>  |
| <b>Public Works Loan Board</b>        | 28.53          | 11.70           | 40.23          | 2.76            | 23.90           |
| <b>Local authorities (short-term)</b> | -              |                 | -              |                 |                 |
| <b>Total borrowing</b>                | <b>28.53</b>   |                 | <b>40.23</b>   |                 | <b>23.90</b>    |

The Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.

With short-term interest rates remaining much lower than long-term rates, the Council considered it to be more cost effective in the near term to use internal resources or short-term loans instead. The Council had not used short-term loans facility so far in this financial year.

The Council has an increasing CFR due to the capital programme including CIS purchases and an estimated borrowing requirement as determined by the Liability Benchmark which also takes into account usable reserves and working capital. Having considered the appropriate duration and structure of the Council's borrowing need based on realistic projections, the Council decided to take some advantage of the fall in external borrowing rates and borrowed £11.96m maturity loans.

| <b>Long dated Loans borrowed</b> | <b>PWLB Reference</b> | <b>Amount £</b> | <b>Rate %</b> | <b>Period (Years)</b> |
|----------------------------------|-----------------------|-----------------|---------------|-----------------------|
| <b>PWLB 1</b>                    | 495152                | 5,000,000       | 3.91          | 39.0                  |
| <b>PWLB 2</b>                    | 495153                | 5,000,000       | 3.90          | 38.5                  |
| <b>PWLB 3</b>                    | 502463                | 640,353         | 2.24          | 3.5                   |
| <b>PWLB 4</b>                    | 504487                | 698,064         | 3.28          | 27.0                  |
| <b>PWLB 5</b>                    | 504598                | 928,734         | 3.10          | 27.0                  |
| <b>PWLB 6</b>                    | 504810                | 463,278         | 2.91          | 27.0                  |
| <b>PWLB 7</b>                    | 504922                | 375,756         | 3.10          | 27.5                  |
| <b>PWLB 8</b>                    | 504993                | 304,723         | 2.92          | 27.5                  |
| <b>PWLB 9</b>                    | 505255                | 605,334         | 2.31          | 27.5                  |
| <b>PWLB 10</b>                   | 505372                | 464,938         | 2.18          | 27.5                  |



|                        |        |                   |             |             |
|------------------------|--------|-------------------|-------------|-------------|
| <b>PWLB 11</b>         | 505649 | 827,972           | 2.67        | 28.0        |
| <b>PWLB 12</b>         | 506436 | 5,000,000         | 2.78        | 18.0        |
| <b>PWLB 13</b>         | 508696 | 7,291,685         | 2.49        | 19.0        |
| <b>PWLB 14</b>         | 508931 | 666,667           | 1.48        | 2.0         |
| <b>PWLB 15</b>         | 509389 | 11,963,000        | 2.18        | 19.5        |
| <b>Total borrowing</b> |        | <b>40,230,504</b> | <b>2.76</b> | <b>23.9</b> |

The Council's borrowing decisions are not predicated on any one outcome for interest rates and a balanced portfolio of short- and long-term borrowing was maintained.

### 3.2 Treasury Investment Activity

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held and money borrowed in advance of need. During the year, the Council's investment balances ranged between £2.52m and £24.65 million due to timing differences between income and expenditure. The investment position is shown in table 4 below.

Table 4: Treasury Investment Position

|   | <b>31.3.19<br/>Balance</b> | <b>Net<br/>Movement</b> | <b>30.9.19<br/>Balance</b> | <b>30.9.19<br/>Income<br/>Return</b> | <b>30.9.19<br/>Weighted<br/>Average<br/>Maturity<br/>days</b> |
|---|----------------------------|-------------------------|----------------------------|--------------------------------------|---|
|   | <b>£</b>                   | <b>£m</b>               | <b>£m</b>                  | <b>%</b>                             |   |
| <b>Banks &amp; building societies (unsecured)</b> | 1,171,315                  | 6,440,685               | 7,612,000                  | 0.32                                 | 30  |
| <b>Government (incl. local authorities)</b>       | 1,000,000                  | (1,000,000)             | -                          | -                                    | 7   |
| <b>Money Market Funds</b>                         | 745,000                    | 7,695,000               | 8,440,000                  | 0.73                                 | 7   |
| <b>Loans to other organisation</b>                | 8,566,528                  | (121,775)               | 8,444,753                  | 3.29                                 | >365  |
| <b>Other Pooled Funds.</b>                        |                            |                         |                            |                                      |   |
| - <b>Property funds</b>                           | 3,965,539                  |                         | 3,965,539                  | 4.23                                 | >365  |

|                          |                   |                   |                   |              |
|--------------------------|-------------------|-------------------|-------------------|--------------|
| <b>Total investments</b> | <b>15,448,382</b> | <b>13,013,910</b> | <b>28,462,292</b> | <b>3.51*</b> |
|--------------------------|-------------------|-------------------|-------------------|--------------|

The weighted average rate for the investment portfolio up to 30.09.2019 was 3.51%.

### 3.3 Risk Management

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Given the increasing risk and low returns from short-term unsecured bank investments, the Council has maintained a diversified portfolio of asset classes as shown in table 4 above. £7.7m that was available for short-term investment was moved from bank and building society deposits into Money Market funds which had higher rates of return than bank deposits. As a result, investment risk was diversified while the average income return has increased by 0.11% to 3.51%.

The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in Table 5 below.

Table 5: Investment Benchmarking – Treasury investments managed in-house

|                    | <b>Credit Score</b> | <b>Credit Rating</b> | <b>Bail-in Exposure</b> | <b>Weighted Average Maturity (days)</b> | <b>Rate of Return</b> |
|--------------------|---------------------|----------------------|-------------------------|---|-----------------------|
|                    |                     |                      | <b>%</b>                |   | <b>%</b>              |
| <b>31.03.2019</b>  | 4.30                | AA-                  | 66                      | 2                                       | 3.60                  |
| <b>30.09.2019</b>  | 4.72                | A+                   | 100                     | 1                                       | 1.35                  |
| <b>Similar LAs</b> | 4.26                | AA-                  | 53                      | 86                                      | 1.80                  |
| <b>All LAs</b>     | 4.28                | AA-                  | 55                      | 29                                      | 1.43                  |

\*Weighted average maturity

£3.97m of the Council's investments are held in externally managed strategic pooled property funds – CCLA Property Fund where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. This fund generated an average total return of £83,478 (4.23%), comprising a £29,842 (0.59%) income return from bank deposit

and MMFs combined for period of 1<sup>st</sup> April to 30 September 2019 which is used to support services in year.

Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates. In light of their performance over the medium-term and the Council's latest cash flow forecasts, investment in these funds has been maintained.

### 3.4 Readiness for Brexit

The scheduled leave date for the UK to leave the EU is now 31<sup>st</sup> October 2019 and there remains little political clarity as to whether a deal will be agreed by this date and there is the possibility that the exit date is pushed back yet again. As 31<sup>st</sup> October approaches the Council will ensure there are enough accounts open at UK-domiciled banks and Money Market Funds to hold sufficient liquidity required in the near term and that its account with the Debt Management Account Deposit Facility (DMADF) remains available for use in an emergency.

### 3.5 Non-Treasury Investments

The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Council as well as other non-financial assets which the Authority holds primarily for financial return. This is replicated in MHCLG's Investment Guidance, in which the definition of investments is further broadened to also include all such assets held partially for financial return.

The Authority also held £60.1m of such investments in:

- directly owned property £60.0m
- shareholding in subsidiaries £0.1m

Table 6: Property held for investment purposes in £'000

| <b>Property</b>    | <b>Actual<br/>Purchase<br/>cost</b> | <b>31.3.2019<br/>Gains or<br/>(losses)</b> | <b>actual<br/>Value in<br/>accounts</b> | <b>31.3.2020<br/>Gains or<br/>(losses)</b> | <b>expected<br/>Value in<br/>accounts</b> |
|--------------------|-------------------------------------|--|---|--|---|
| Existing Portfolio | 19,644                              | 1,234                                      | 20,878                                  | 0  | 19,644                                    |
| 2 Stonehill        | 1,400                               | 250  | 1,650                                   | 0  | 1,400                                     |

|  |               |            |               |          |               |
|--|---------------|------------|---------------|----------|---------------|
| 80 Wilbury Way                                   | 2,200         | (125)      | 2,075         | 0        | 2,200         |
| Shawlands Retail Park                            | 6,500         | (500)      | 6,000         | 0        | 6,500         |
| 1400 & 1500 Parkway                              | 5,425         | (175)      | 5,250         | 0        | 5,425         |
| Units 21a, 21b,23a,b,c Little End Road, St Neots | 3,200         | 0          | 3,200         | 0        | 3,200         |
| Rowley Centre, St Neots                          | 7,600         | (400)      | 7,200         | 0        | 7,200         |
| Tri-link, Wakefield                              | 13,750        | 0          | 0             | 0        | 13,750        |
| <b>TOTAL</b>                                     | <b>59,719</b> | <b>284</b> | <b>46,253</b> | <b>0</b> | <b>60,003</b> |

These investments generated £2.8m of investment income for the Authority in 2018/19 after taking account of direct costs, representing a rate of return of 6.1%.

The Authority is dependent on profit generating investment activity to achieve a balanced revenue budget. The table below shows the extent to which the expenditure planned to meet the service delivery objectives and/or place making role of the Authority is dependent on achieving the expected net profit from investments over the lifecycle of the Medium Term Financial Plan. Should it fail to achieve the expected net profit, the Authority's contingency plans for continuing to provide these services, are to use reserves where necessary to offset any negative variances in the final outturn. Unallocated general fund balances and budget surplus reserve can be used in case of a downturn in investment income to meet any detrimental effect.

Table 7: Proportionality of Investments in £'000

|                           | <b>2017/18<br/>Actual</b> | <b>2018/19<br/>Actual</b> | <b>2019/20<br/>Budget</b> | <b>2020/21<br/>Budget</b> | <b>2021/22<br/>Budget</b> |
|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Gross service expenditure | 78,322                    | 75,729                    | 69,951                    | 63,638                    | 59,787                    |
| Investment income         | 2,639                     | 2,753                     | 2,792                     | 2,950                     | 2,516                     |
| Proportion                | 3.4%                      | 3.6%                      | 4.0%                      | 4.6%                      | 4.2%                      |

## 4.0 Compliance

The Finance Manager (s151 officer) reports that all treasury management activities undertaken during the quarter complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 6 below.

Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 7 below.

Table 8: Debt Limits

|                   | <b>30.9.19<br/>Actual<br/>£m</b> | <b>2019/20<br/>Operational<br/>Boundary<br/>£m</b> | <b>2019/20<br/>Authorised<br/>Limit<br/>£m</b> | <b>Complied?</b> |
|-------------------|----------------------------------|--|--|------------------|
| <b>General</b>    | 10.00                            | 70.00  | 80.00  | Yes              |
| <b>Loans</b>      | 5.98                             | 15.00  | 20.00  | Yes              |
| <b>CIS</b>        | 24.25                            | 30.00  | 30.00  | Yes              |
| <b>Total debt</b> | <b>40.23</b>                     | <b>115.00</b>                                      | <b>130.00</b>                                  |                  |

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure. Total debt was below the operational boundary all through the quarter.

Table 9: Investment Limits

| <b>Deposit Accounts</b>                     | <b>30.9.19<br/>Actual<br/>£m</b> | <b>2019/20<br/>Limit<br/>£m</b> | <b>Complied?</b> |
|---|----------------------------------|---------------------------------|------------------|
| <b>NatWest</b>                              | 0.83                             | 1.00                            | Yes              |
| <b>Debt<br/>Management<br/>Office (DMO)</b> | -                                | unlimited                       | Yes              |
| <b>Santander</b>                            | 2.04                             | 4.00                            | Yes              |
| <b>Handelsbanken</b>                        | 0.87                             | 4.00                            | Yes              |
| <b>Barclays</b>                             | 3.88                             | 4.00                            | Yes              |

| <b>Money Market Funds</b>                              | <b>30.9.19 Actual £m</b> | <b>2019/20 Limit £m</b> | <b>Complied?</b> |
|--|--------------------------|-------------------------|------------------|
| <b>BlackRock Institutional sterling liquidity Fund</b> | 1.00                     | 2.00                    | Yes              |
| <b>CCLA Public Sector Deposit Fund</b>                 | 1.00                     | 1.00                    | Yes              |
| <b>Federated Short Term Prime Fund</b>                 | 1.50                     | 2.00                    | Yes              |
| <b>Insight Liquidity Funds</b>                         | 1.50                     | 2.00                    | Yes              |
| <b>Legal &amp; General Sterling Liquidity Fund</b>     | 2.00                     | 2.00                    | Yes              |
| <b>Aberdeen Liquidity Fund</b>                         | 0.44                     | 2.00                    | Yes              |

## 5.0 Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators.

### Security

The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

|  | <b>30.9.19 Actual</b> | <b>2019/20 Target</b> | <b>Complied?</b> |
|--|-----------------------|-----------------------|------------------|
| <b>Portfolio average credit rating</b> | A+                    | A-                    | Yes              |

### Liquidity

The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

|   | 30.9.19<br>Actual<br>£m | 2019/20<br>0<br>Target<br>£m | Complied<br>? |
|---|-------------------------|------------------------------|---------------|
| <b>Total cash available within 3 months</b> | 14.2                    | 2.0                          | Yes           |

### Interest Rate Exposures

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests was:

| Interest rate risk indicator  | 30.9.19<br>Actual | 2019/20<br>Limit | Complied? |
|---|-------------------|------------------|-----------|
| <b>Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates</b> | 0*                | £128,000         | Yes       |
| <b>Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates</b> | 0*                | £128,000         | Yes       |

\*There has not been any significant change in interest rate of borrowing that could impact the Council's one-year revenue because the PWLB loans were all fixed rates.

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates.

### Maturity Structure of Borrowing

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

|                                       | 30.9.19<br>Actual | Upper<br>Limit | Lower<br>Limit | Complied? |
|---------------------------------------|-------------------|----------------|----------------|-----------|
| <b>Under 12 months</b>                | 0%                | 80%            | 0%             | Yes       |
| <b>12 months and within 24 months</b> | 6.70%             | 80%            | 0%             | Yes       |
| <b>24 months and within 5 years</b>   | 6.70%             | 80%            | 0%             | Yes       |
| <b>5 years and within 10 years</b>    | 0%                | 100%           | 0%             | Yes       |
| <b>10 years and above</b>             | 86.70%            | 100%           | 0%             | Yes       |

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

### **Principal Sums Invested for Periods Longer than a year**

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

|  | <b>2019/20</b> | <b>2020/21</b> | <b>2021/22</b> |
|--|----------------|----------------|----------------|
| <b>Actual principal invested beyond year end</b>   | £8.44m         | £7.56m         | £7.19m         |
| <b>Limit on principal invested beyond year end</b> | £10.00m        | £10.00m        | £10.00m        |
| <b>Complied?</b>                                   | Yes            | Yes            | Yes            |



## 6.0 Outlook for the remainder of 2019/20

The global economy is entering a period of slower growth in response to political issues, primarily the trade policy stance of the US. The UK economy has displayed a marked slowdown in growth due to both Brexit uncertainty and the downturn in global activity. In response, global and UK interest rate expectations have eased dramatically.

There appears no near-term resolution to the trade dispute between China and the US, a dispute that the US appears comfortable exacerbating further. With the 2020 presidential election a year away, Donald Trump is unlikely to change his stance.

Parliament appears to have frustrated UK Prime Minister Boris Johnson's desire to exit the EU on 31st October. The probability of a no-deal EU exit in the immediate term has decreased, although a no-deal Brexit cannot be entirely ruled out for 2019 and the risk of this event remains for 2020. The risk of a general election in the near term has, however, increased.

Central bank actions and geopolitical risks will continue to produce significant volatility in financial markets, including bond markets.

Our treasury advisor Arlingclose expects Bank Rate to remain at 0.75% for the foreseeable future but there remain substantial risks to this forecast, dependant on Brexit outcomes and the evolution of the global economy. Arlingclose also expects gilt yields to remain at low levels for the foreseeable future and judge the risks to be weighted to the downside and that volatility will continue to offer longer-term borrowing opportunities

|                           | Dec-19 | Mar-20 | Jun-20 | Sep-20 | Dec-20 | Mar-21 | Jun-21 | Sep-21 | Dec-21 | Mar-22 | Jun-22 | Sep-22 | Dec-22 |
|---------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Official Bank Rate</b> |        |        |        |        |        |        |        |        |        |        |        |        |        |
| Upside risk               | 0.00   | 0.00   | 0.25   | 0.25   | 0.25   | 0.25   | 0.25   | 0.25   | 0.25   | 0.25   | 0.25   | 0.25   | 0.25   |
| Arlingclose Central Cas   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   |
| Downside risk             | 0.50   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   | 0.75   |

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## Capital Prudential Indicators

Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. This includes spending on assets owned by other bodies, loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £10,000 are not capitalised and are charged to revenue in year.

The summary of the capital expenditure is shown in the Table 1 below.

Table 1: Summary of Capital Expenditure in £m

|                              | <b>2019/20<br/>Budget</b> | <b>2019/20<br/>Forecast</b> |
|------------------------------|---------------------------|-----------------------------|
| <b>General Fund Services</b> | 7.7                       | 11.1                        |
| <b>Capital investments</b>   | 0.0                       | 14.7                        |
| <b>Total</b>                 | <b>7.7</b>                | <b>25.8</b>                 |

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing and leasing).

Table 2: The summary of Capital financing in £m

|                  | <b>2019/20<br/>Budget</b> | <b>2019/20<br/>Forecast</b> |
|------------------|---------------------------|-----------------------------|
| External sources | 1.5                       | 1.8                         |
| Own resources    | 1.2                       | 1.6                         |
| Debt             | 5.0                       | 22.4                        |
| <b>Total</b>     | <b>7.7</b>                | <b>25.8</b>                 |

Debt is only temporary source of finance since loans and leases a must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP).

Table 3: The summary of capital Financing Requirement in £m

|                       | <b>2019/20<br/>Budget</b> | <b>2019/20<br/>Forecast</b> |
|-----------------------|---------------------------|-----------------------------|
| General Fund Services | 41.5                      | 47.9                        |
| Capital investments   | 5.7                       | 32.2                        |
| <b>Total CFR</b>      | <b>47.2</b>               | <b>80.1</b>                 |

When a capital asset is no longer needed, it may be sold so that the proceeds known as capital receipts can be spent on new assets or to repay debt. The Council is currently also permitted to spend capital receipts on service transformation projects until 2021/22. Repayments of capital grants, loans and investments also generate capital receipts.

The summary of the capital receipts is shown in Table 4 below in £m.

|              | <b>2019/20<br/>Budget</b> | <b>2019/20<br/>Forecast</b> |
|--------------|---------------------------|-----------------------------|
| Asset sales  | 0.88                      | 0.93                        |
| Loans repaid | 0.32                      | 0.32                        |
| <b>Total</b> | <b>1.20</b>               | <b>1.25</b>                 |

### GLOSSARY

#### **Bail in Risk**

Bail in risk arises from the failure of a bank. Bond-holders or investors in the bank would be expected to suffer losses on their investments, as opposed to the bank being bailed out by government.

#### **Bank Equity Buffer**

The mandatory capital that financial institutions are required to hold, in order to provide a cushion against financial downturns, to ensure the institution can continue to meet its liquidity requirements.

#### **Bank Stress Tests**

Tests carried out by the European Central Bank on 51 banks across the EU. The tests put banks under a number of scenarios and analyse how the bank's capital holds up under each of the scenarios. The scenarios include, a sharp rise in bond yields, a low growth environment, rising debt, and adverse action in the unregulated financial sector.

#### **Bonds**

A bond is a form of loan, the holder of the bond is entitled to a fixed rate of interest (coupon) at fixed intervals. The bond has a fixed life and can be traded.

#### **Call Account**

A bank account that offers a rate of return and the funds are available to withdraw on a daily basis.

#### **Capital Financing Requirement (CFR)**

The CFR is a measure of the capital expenditure incurred historically, but has yet to be financed; by for example capital receipts or grants funding.

#### **Collar (Money Market Fund)**

The fund "collar" forms part of the valuation mechanism for the fund. LVNAV funds allow investors to purchase and redeem shares at a constant NAV calculated to 2 decimal places, i.e. £1.00. This is achieved by the fund using amortised cost for valuation purposes, subject to the variation against the marked-to-market NAV being no greater than 20 basis points (0.2%). (This compares to current Prime CNAV funds which round to 50 basis points, or 0.5%, of the NAV.)

#### **Counterparty**

Another organisation with which the Council has entered into a financial transaction with, for example, invested with or borrowed from.

#### **Credit Default Swaps (CDS)**

A financial agreement that the seller of the CDS will compensate the buyer in the event of a loan default. The seller insures the buyer against a loan defaulting.

**Credit Ratings**

A credit rating is the evaluation of a credit risk of a debtor, and predicting their ability to pay back the debt. The rating represents an evaluation of a credit rating agency of the qualitative and quantitative information, this result in a score, denoted usually by the letters A to D and including +/-.

**Gilts**

Bonds issued by the Government.

**LIBOR**

London Interbank Offered Rate is the rate at which banks are willing to lend to each other.

**LIBID**

London Interbank Bid Rate is the rate at which a bank is willing to borrow from other banks.

**Liquidity**

The degree to which an asset can be bought or sold quickly.

**LVNAV Money Market Fund**

Low volatility net asset value. The fund will have at least 10% of its assets maturing on a daily basis and at least 30% of assets maturing on a weekly basis.

**Minimum Revenue Provision (MRP)**

An amount set aside to repay debt.

**Money Market Funds**

An open ended mutual fund that invests in short-term debt securities. A deposit will earn a rate of interest, whilst maintaining the net asset value of the investment. Deposits are generally available for withdrawal on the day.

**Public Works Loans Board (PWLB)**

The PWLB is an agency of the Treasury, it lends to public bodies at fixed rates for periods up to 50 years. Interest rates are determined by gilt yields.

**Transactional Banking**

Use of a bank for day to day banking requirement, e.g. provision of current accounts, deposit accounts and on-line banking.

**Public**  
**Key Decision - No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Election of Executive Leader of the Council  
**Meeting/Date:** Council – 4th December 2019  
**Executive Portfolio:** Executive Leader  
**Report by:** Managing Director  
**Ward(s) affected:** All

---

### **Executive Summary:**

The purpose of this report is to consider the election of a new Executive Leader of the Council for the remainder of that Member's term of office (until May 2022) following the resignation of Councillor G J Bull as the current Executive Leader of the Council.

### **Recommendation:**

**that a Councillor be appointed Executive Leader of the Council for the remainder of that Member's term of office (until May 2022).**





## **1. PURPOSE OF THE REPORT**

- 1.1 The purpose of this report is to elect a new Executive Leader of the Council for the remainder of that Member's term of office (until May 2022) in accordance with the Local Government and Public Involvement in Health Act 2007 and the Council's Constitution.

## **2. BACKGROUND**

- 2.1 Owing to his wish to focus on personal priorities closer to home, a decision has been taken by Councillor G J Bull to resign from his position as Executive Leader.

## **3. WHAT ACTIONS WILL BE TAKEN**

- 3.1 It is convention for the Executive Leader of the Council to be selected from the largest political group.

## **4. LEGAL IMPLICATIONS**

- 4.1 Under normal circumstances an Executive Leader is elected to serve for a four year term, or until that Member's term of office comes to an end as a Councillor, or they resign from the office as a Councillor, or if removed from office as a Councillor by the Council. The Council moved to whole Council elections in May 2018. District Council elections will next be held in May 2022 and the new Executive Leader will be appointed until this date.
- 4.2 Despite the fact that a Deputy Leader is appointed to support this role in their absence, there remains a requirement to elect an Executive leader following a vacancy in this position on the Council.

## **5. RESOURCE IMPLICATIONS**

- 5.1 None.

## **6. REASONS FOR THE RECOMMENDED DECISIONS**

- 6.1 As a result of the resignation of Councillor Bull from his position as Executive Leader it is necessary for the Council to elect a new Executive Leader until May 2022.

## **7. BACKGROUND PAPERS**

Local Government and Public Involvement in Health Act 2007.

## **CONTACT OFFICER**

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## Agenda Item: 8

### Cambridgeshire & Peterborough Combined Authority

#### Reports from Constituent Council Representatives on the Combined Authority Member representatives

| Meeting                  | Dates of Meeting  | Representative         |
|--------------------------|-------------------|------------------------|
| Overview and Scrutiny    | 28th October 2019 | D B Dew and P A Jordan |
| Combined Authority Board | 30th October 2019 | G J Bull               |

The above meetings have taken place in October 2019.

#### Overview and Scrutiny Committee – Monday 28th October 2019

The Overview and Scrutiny Committee met on 28th October 2019, the decision summary is attached as **Appendix 1**.

#### Combined Authority Board – Wednesday 30th October 2019

The Combined Authority Board met on 30th October 2019, the decision summary is attached as **Appendix 2**.

**The agendas and minutes of the meetings are on the Combined Authority's website – Links in the appendices.**





## Appendix 1

# OVERVIEW AND SCRUTINY COMMITTEE - Decision Summary

**Meeting:** 28 October 2019

**Agenda/Minutes:** Overview & Scrutiny Committee - 28th October 2019

Chair: Cllr Lorna Dupre

Summary of decisions taken at this meeting.

| Item | Topic                    | Decision <i>[None of the decisions below are key decisions]</i>  |
|------|--------------------------|--|
| 1.   | Apologies                | Apologies received from:<br><br>Cllr Connor, Cllr Scutt and Cllr Gehring, Cllr Heylings (substituted by Cllr Fane) |
| 2.   | Declaration of Interests | There were none.   |
| 3.   | Minutes                  | The minutes of the meeting held on the 23 September 2019 were agreed and signed by the Chair.                      |

|    |                                 |  |
|----|---------------------------------|--|
| 4. | Public Questions                | There were no public questions received.   |
| 5. | Mayor of the Combined Authority | <p>The Mayor for the Combined Authority was welcomed to the Overview and Scrutiny meeting. Members asked the Mayor a series of questions to which they received responses, including:</p> <p>In response to a question about the progress of the Mayor’s transport plans, the Mayor explained that a survey conducted to look at whether the Metro in Peterborough was feasible, came back as positive. The Mayor noted he had been working hard to find a way to get the Metro beyond the South of Cambridgeshire and noted that he had had positive conversations with Homes England and Urban &amp; Civic to explore options of bringing the Metro from St Ives to Alconbury.</p> <p>The Mayor further explained that he was wishing, through the Combined Authority, to create a better bus service and had been working since the initial Bus Review to improve relationships between the Combined Authority and Cambridgeshire’s major player – Stagecoach. The Mayor explained the Combined Authority had already seen a positive trial at Addenbrooke’s Hospital for a reduced bus rate for NHS staff, and Stagecoach had agreed to move that trial to other areas.</p> <p>In a response to a further question regarding the carbon neutral growth, the Mayor noted that policies put forward by the Combined Authority would allow to create carbon neutral growth and further stressed that the plans that he and the Combined Authority advocated, were a significant way forward in creating a new environmental standard not only for Cambridgeshire but for the UK as well.</p> <p>In response to a question about the Housing Revenue Account (HRA), the Mayor acknowledged that the housing solution in Cambridgeshire and Peterborough was not a “one size fits all” solution and that the Combined Authority needed to create a solution to best fit the entirety of the area. The Mayor further explained that traditional ways of developing homes, through Market and Social Housing Associations, had not provided the housing necessary to prevent the housing crisis in Cambridgeshire and Peterborough.</p> |

|    |                                       |   |
|----|---------------------------------------|---|
|    |                                       | <p>The Mayor further stressed that the Combined Authority needed to create other possible ways to deliver the housing required and that the Combined Authority was leading the way in trying to bring new models into the market.</p> <p>Responding to a question on the status of Thomas Cook's former employees, the Mayor informed Members of a meeting he had had with Thomas Cook recently and the quick action of the Combined Authority by holding a jobs' fair with over 110 companies.</p>   |
| 6. | Update from the Task and Finish Group | <p>As the Chair of the Task &amp; Finish Group, Cllr Price updated Members on the last CAM Metro Task &amp; Finish Group meeting that took place on 11 September 2019 at Cambridgeshire County Council.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>a) That the update from the Chair of the Task &amp; Finish Group for the CAM Metro be noted.</li> <li>b) That the outstanding actions, as well as responses to questions, would be followed up with officers and provided to the Chair of the CAM Metro Task &amp; Finish Group.</li> </ul>  |
| 7. | Governance (decision-making) Review   | <p>The Interim Monitoring Officer presented the report and outlined key proposed solutions to issues raised at the O&amp;S Committee meeting in September.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>a) That the recommendations in the Governance Review Report be accepted, with the number of lead Members for each Executive Committee be reduced to one, instead of two.</li> <li>b) That the Committee would invite the Chairs of the Executive Committees to attend meetings of the Committee on a rotation basis.</li> <li>c) That the lead Members for Executive Committees are to be: Cllr Coles – Skills</li> </ul> |

|    |   |   |
|----|---|---|
|    |   | Executive Committee, shadowed by Cllr Miscandlon; Cllr Murphy – Housing and Communities Executive Committee; Cllr Sharp – Transport and Infrastructure Executive Committee.   |
| 8. | Review of Combined Authority Board Agenda | <p>The Committee reviewed the agenda for the Combined Authority Board meeting on Wednesday 30 October 2019 and identified questions to the Board as below:</p> <p><u>2.1 Budget Monitor Update</u></p> <p>Q: In light of the Budget Monitoring Report indicating that a lot of projects are slipping, what are the reasons for this?</p> <p><u>3.1 100k Homes and Community Land Trusts (CLTs)</u></p> <p>Q: With only 935 Community Land Trust homes built so far in the whole country and the 56 affordable homes funded through the £40m revolving fund, is too much emphasis being put on Community Land Trusts rather than the more tried and tested use of housing associations, when there is a crisis for affordable housing in parts of the Combined Authority area? How does the Combined Authority intend to encourage the Constituent Councils to promote CLTs?</p> <p><u>Transport Plan</u></p> <p>Q: What funding options are being looked as part of the Outline Business Case for the CAM Metro?</p> <p><u>Transport levy</u></p> <p>Q: Given the financial difficulties both the County Council and the Peterborough City Council have been facing, please can you clarify whether transport levy funding passed back to those councils is ringfenced for transport functions?</p> |



|     |                                      |   |
|-----|--------------------------------------|---|
|     |                                      | <p><u>Employment and departure of the former CEO and CFO</u></p> <p>Q: Audit and Governance Committee had been asked to carry out a review of the employment and dismissal procedures relating to the departures of the former Chief Executive and Chief Finance Officer. Can there be a confirmation of what progress has been made or if this has now been completed?</p> <p><u>Climate Emergency</u></p> <p>Q: Does the Combined Authority intend to declare a Climate Emergency?</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>a) That the CA Board agenda be noted.</li> <li>b) That the questions be submitted to the Combined Authority Board at its meeting on 30 October 2019.</li> </ul> |
| 9.  | Combined Authority Forward Plan      | <p>The Committee considered the Combined Authority Forward Plan.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>a) That the Combined Authority Forward Plan be noted.</li> <li>b) That the Transport and Infrastructure Executive Committee Chair and lead officer be invited to the Committee meeting in December.</li> <li>c) That the Budget Item be allocated as a new Standing Item for the next three Committee meetings.</li> </ul>  |
| 10. | Overview and Scrutiny Work Programme | <p>The Committee received the report which outlined the Work Programme for the Committee for the municipal year 2019/20.</p>  |

|     |   |  |
|-----|---|--|
|     |   | <p>The Committee asked for the following items to be added to the Work Programme:</p> <ul style="list-style-type: none"> <li>i) Budget (November, December and January)</li> <li>ii) Transport – Chair and officer to attend the Committee meeting in December</li> <li>iii) Housing (November)</li> <li>iv) Programme Development – Cohesion issues and tackling inequality</li> <li>v) Climate Change</li> </ul> <p><b>RESOLVED:</b></p> <p>That additional items identified be added to the Committee Work Programme.</p> |
| 11. | Date and Location of the next Committee meeting | <p>The Committee agreed that the next meeting would be held on the 25 November 2019 at 11:00am, Huntingdonshire District Council.</p> <p>The pre-meeting on the 25 November 2019 at 10:00am, Huntingdonshire District Council.</p>   |



## CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY BOARD - Decision Summary

**Meeting:** 30 October 2019

**Agenda/Minutes:** Cambridgeshire and Peterborough Combined Authority Board - 30th October 2019

| Item                             | Topic   | Decision  |
|----------------------------------|---|---|
| <b>Part 1 – Governance Items</b> |   |   |
| 1.1                              | Announcements, Apologies and Declarations of Interest | Apologies were received from Councillor G Bull (substituted by Councillor R Fuller) and Councillor L Herbert.<br><br>No declarations of interest were made. |
| 1.2                              | Minutes – 25 September 2019                           | The minutes of the meeting on 25 September 2019 were confirmed as an accurate record and signed by the Mayor.   |
| 1.3                              | Petitions   | None received.  |

|                         |   |  |
|-------------------------|---|--|
| 1.4                     | Public Questions  | None received.   |
| 1.5                     | Forward Plan – September 2019   | It was resolved to note and approve the Forward Plan.  |
| 1.6                     | Designation of Scrutiny Officer   | <p>The Board considered a report recommending the appointment of a new Interim Scrutiny Officer.</p> <p>It was resolved to:</p> <p style="text-align: center;">Designate Katarina O’Dell as the Combined Authority’s Interim Scrutiny Officer for the remainder of the maternity leave of the Scrutiny Officer.</p>  |
| 1.7                     | Appointments to Executive Committees and Appointment of Chairs and Lead Members | <p>The Board considered a report seeking agreement for the Membership of the Executive Committees, the appointment of Chairs and the appointment of Lead Members for the remainder of the 2019/20 municipal year.</p> <p>It was resolved to:</p> <p style="margin-left: 40px;">a) Note and agree the nominations for membership of the Executive Committees, Chairs and Lead Members for the remainder of the 2019/20 municipal year, as set out in Appendix 1.</p> <p style="margin-left: 40px;">b) Approve the Monitoring Officer to accept any consequential changes to membership and confirm that on receipt such changes would be immediately in effect.</p> |
| <b>Part 2 – Finance</b> |   |  |
| 2.1                     | Budget Monitor Update   | <p>The Board considered a report providing an update on the 2019/20 financial position of the Cambridgeshire and Peterborough Combined Authority as at 31<sup>st</sup> August 2019.</p> <p>It was resolved to:</p>   |

|  |                                       |  |
|--|---------------------------------------|--|
|  |                                       | Note the updated financial position of the Combined Authority for the year.  |
| <b>Part 3 - Combined Authority Matters</b> |                                       |  |
| 3.1  | £100k Homes and Community Land Trusts | <p>The Board considered a report providing further information of the £100k Homes and Community Land Trusts and seeking approval for the immediate expenditure required to develop the formal business cases for approval.</p> <p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Delegate to the Chief Executive, in consultation with the Chair of the Housing and Communities Committee, authority to draw down the £250,000 allocated from the non-transport feasibility budget for the creation of community land trusts and for the operational costs of delivering the £100k Housing project, subject to the phasing set out in the Medium Term Financial Plan (MTFP); and</li> <li>b) Confirm that the monitoring of spend on the development of the business cases for Community Land Trusts and £100k Homes will be reported to the Housing &amp; Communities Committee; and</li> <li>c) Confirm that the business cases for Community Land Trusts and £100k Homes will be reported to the Combined Authority Board for approval in due course, subject to consultation with the Housing &amp; Communities Committee.</li> </ul> |

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## MEETINGS OF THE COUNCIL'S COMMITTEES AND PANELS SINCE THE LAST ORDINARY MEETING

### OCTOBER 2019

#### 14. DEVELOPMENT MANAGEMENT COMMITTEE

- ❖ 1 Other Application
- ❖ 6 Applications Requiring Reference to the Development Management Committee
- ❖ Changes to the Scheme of Delegation
- ❖ Appeal Decisions

#### 24. CABINET

- ❖ England's Economic Heartlands – Outline Transport Strategy: Framework for Engagement
- ❖ Final Report of the Accelerating the Delivery of Affordable Housing Task and Finish Group
- ❖ Lifelong Health Task and Finish Group – Part One Final Report

### NOVEMBER 2019

#### 5. OVERVIEW AND SCRUTINY (PERFORMANCE AND GROWTH)

- ❖ Integrated Performance Report 2019/20, Quarter 2
- ❖ Treasury Management Six Month Performance Review

#### 7. OVERVIEW AND SCRUTINY (CUSTOMERS AND PARTNERSHIPS)

- ❖ Waste Minimisation (Briefing)
- ❖ Litter Minimisation (Briefing)

#### 13. CORPORATE GOVERNANCE COMMITTEE SPECIAL MEETING

- ❖ Approval for Publication of the 2018/19 Annual Financial Report.

#### 18. DEVELOPMENT MANAGEMENT COMMITTEE

- ❖ Section 106 Agreement
- ❖ 12 Applications Requiring Reference to Development Management Committee
- ❖ Appeal Decisions

## **28. CABINET**

- ❖ Integrated Performance Report 2019/20, Quarter 2
- ❖ Treasury Management Six Month Performance Review
- ❖ Hinchingsbrooke Country Park Joint Group – Minutes
- ❖ Commercial Investment Strategy Asset (Exempt)

## **DECEMBER 2019**

## **4. LICENSING AND PROTECTION COMMITTEE**

- ❖ Proposed Public Space Protection Order for St Ives
- ❖ Monitoring Report on the Delivery of the Food Law Enforcement and Health and Safety Service
- ❖ Licensing and Protection Sub-Committees
- ❖ Suspension and Revocation of Private Hire and Hackney Carriage Vehicle and Drivers Licences under Delegated Powers.