



**MINUTES of
STRATEGY AND RESOURCES COMMITTEE
25 JULY 2024**

PRESENT

Chairperson	Councillor M F L Durham, CC
Vice-Chairperson	Councillor J Driver
Councillors	D O Bown, A Fittock, A S Fluker, K M H Lagan, A M Lay, R H Siddall, N D Spenceley, W Stamp, CC and M E Thompson
In attendance	Councillor(s) U C G Siddall-Norman and P L Spenceley

216. CHAIRPERSON'S NOTICES

The Chairperson welcomed everyone to the meeting and went through some general housekeeping arrangements for the meeting.

217. APOLOGIES FOR ABSENCE

There were none.

218. MINUTES OF THE LAST MEETING

RESOLVED that the Minutes of the meeting of the Committee held on 11 June 2024 be approved and confirmed.

219. DISCLOSURE OF INTEREST

There were none.

220. PUBLIC PARTICIPATION

No requests had been received.

221. TREASURY MANAGEMENT OUTTURN 2023 - 24

The Committee considered the report of the Chief Finance Officer reporting on the Council's investment activity for the 2023 / 24 financial year in accordance with the Chartered Institute of Public Finance and Accountancy Treasury Management Code (CIPFA's TM Code) and the Council's Treasury Management Policy and Treasury Management Practices (TMPs).

It was noted that the CIPFA Code of Practice required authorities report on the performance of the treasury management function at least twice yearly. The report provided detail in respect of the following areas:

- External Context – Appendix 1 to the report gave an overview of the external economic environment, prepared by the Link Group, engaged by the Council to provide treasury management consultancy and advice services.
- Local Context – The Council did not hold any external debt during 2023 / 24 with the exception of a five-year hire purchase agreement relating to the acquisition of two tractors. The Council's borrowing position would be reviewed as part of the update 2024 / 25 Strategy.
- Investment Activity (April 2023 – March 2024) – Members were advised that the level of investments held by the Council had seen a decrease of £2.5m during this period and the report highlighted the reasons for this. The Council continued to take a prudent approach in relation to investment with priority being given to securing and liquidity over yield.
- Performance – Budgeted Income and Outturn – The average income returns on the Authority's investments were detailed along with the overall investment for the year. Members noted that the overachievement was due to interest rates increasing throughout the financial year.
- Compliance with Prudential Indicators and Treasury Management Strategy - As set out in Appendix 1. It was noted that apart from some breached bank limits (set out in the report) all treasury management activities were fully compliant and all prudential indicators had been complied with to date.

The Chairperson moved the recommendation as set out in the report. This was duly seconded and agreed.

RECOMMENDED That the 2023 / 24 Treasury Outturn report be reviewed for compliance purposes.

222. SUPPLEMENTARY ESTIMATES, VIREMENTS, PROCUREMENT EXEMPTIONS AND USE OF RESERVES: 2023 / 24 QUARTER 4 (! JANUARY - 31 MARCH 2024)

The Committee considered the report of the Chief Finance Officer reporting Virements, Supplementary Estimates and Procurement Exemptions agreed under delegated powers where they were below the levels requiring approval by the Committee.

It was noted that there were no supplementary estimates agreed during this period. Sections 3.3.1 and 3.5.1 set out the virements and procurement exemptions agreed during this period. The report also advised that there were two drawdowns from Reserves agreed during this period.

In response to questions raised, Officers provided Members with the following additional information regarding procurement exemptions:

- No. 4: E-Learning for Health and Safety Training - The Chief Finance Officer explained that the Council required a unique set of e-learning modules which could only be provided by the one supplied.
- No. 3 – Promenade Park Replacement Galleon – Members were advised that additional planning permission had been required due to the height of the proposed replacement galleon. This had since been granted and the replacement was due to take place in the Autumn.

The Chairperson moved the recommendations as set out in the report. This was duly seconded and agreed.

RESOLVED

- (i) That the virements as detailed in paragraph 3.3.1 of the report be noted;
- (ii) That the procurement exemptions as detailed in paragraph 3.5.1 of the report be noted;
- (iii) That the reserve drawdowns as detailed in paragraph 3.6.1 of the report be noted.

223. HR POLICY UPDATE

The Committee considered the report of the Director of Strategy and Resources providing an oversight of the changes made to the Council's employee Relocation Expenses Policy (attached as Appendix 1 to the report) and seeking approval of these.

It was noted that the Lead HR Specialist had carried out a review of the Relocation Expenses Policy to ensure it remained fit for purpose and current in today's environment. The key changes to the Policy were set out in the report.

Members were advised that the existing Constitution of the Council did not provide delegated authority to approve employee Policies and Procedures under the remit of Human Resources and staff. It was therefore proposed an amendment that all Human Resources Policies and Procedures be approved by the Head of Paid Service in consultation with the Chairperson of this Committee.

Councillor W Stamp referred to the proposed change to the Constitution and requested that if this was agreed the Committee receive a report every six months detailing any changes made to policies under the new delegation. In response, Officers suggested that Members consider receipt of an annual report. This was not supported and following further discussion it was agreed that a half yearly report should be provided to the Committee.

A debate ensued and in response to queries regarding the Relocation Expenses Policy, the following information was provided:

- In 2006 Members had agreed the eligibility distance of 25 miles and this would have been a resolution of the Council. This had been reviewed by Human Resources (HR) as part of the current policy review.
- The proposed Policy revisions would modernise the current policy, including making reference to remote working.
- It was noted eligibility for the expenses included a requirement for the postholder to present in the Council offices for at least 40% of the working week. This was debated by Members.

In response to some discussion regarding hybrid working, the Chairperson reminded the Committee that this was not part of the Relocation Expenses Policy which was being reviewed by the Committee. There was some discussion about deferring the policy and in response the Lead Legal Specialist and Monitoring Officer advised that the Committee would need to provide clear guidance on any additional information required as part of any deferral.

There was some comments raised regarding the Council's current hybrid working arrangements and the need for a hybrid working policy to be discussed and agreed by Members. In response the Leader of the Council advised that he would raise this matter with the Corporate Leadership Team.

The Chairperson moved recommendation (i) which was duly agreed. He then moved recommendation (ii) amended to include a half yearly report to the Committee detailing any changes made and use of the delegation. This proposal was duly seconded and agreed.

RESOLVED

- (i) That the Relocation Expenses Policy (Appendix 1 to the report) be approved with amendments made as set out in section 3.7 of the report.

RECOMMENDED

- (ii) That delegated authority be granted to the Head of Paid Service, in consultation with the Chairperson of the Strategy and Resources Committee, to approve statutory and procedural updates to Human Resources Policies and Procedures and the Council's Scheme of Delegation be updated accordingly;
- (iii) That the Committee receive half yearly reports detailing any changes made and use of the delegation.

224. ANY OTHER ITEMS OF BUSINESS THAT THE CHAIRPERSON OF THE COMMITTEE DECIDES ARE URGENT

The Chairperson announced that in accordance with Section 100b(4) of the Local Government Act 1972 he had agreed to allow the Interim Chief Finance Officer to raise an urgent item of business.

225. PROVISIONAL OUTTURN 2023 / 24

The Committee considered the urgent report of the Chief Finance Officer seeking providing Members with the provisional Outturn position for the year ended 31 March 2024. Movements in relation to the Council's General Fund and Earmarked Reserves and requests to carry forward Revenue / Capital Commitments into 2024 / 25 were also detailed.

It was noted that the draft Statement of Accounts was due to be published on 31 May 2024 was not yet available for public inspection due to ongoing external audit work on prior years and this would impact on the 2023 / 24 opening figures. Therefore the figures detailed in the outturn report were provisional as they were subject to change.

The report provided detailed information regarding:

- 2023 / 24 Final Budget including approved amendments.
- 2023 / 24 Provisional Outturn – The report detailed budget variances and Appendices 1 and 2 provided a detailed analysis of the variances attributed to the underspend. Those underspends carried forward into the next financial year to fund expenditure commitments were set out in Appendix 3.
- General Fund Balance - It was reported that this would remain above the minimum recommended level of £2.6m.

- Earmarked Reserves - Appendix 4 to the report provided a breakdown of Earmarked Reserves and it was noted that there had been a net increase of £0.167m from 1 April 2023.
- 2023 / 24 Provisional Capital Outturn – The Capital Programme outturn with requested carry forwards was set out in Appendix 5 to the report, along with reasons for any slippage during 2023 / 24.

The Chairperson moved the recommendations as set out in the report and these were duly seconded.

A lengthy debate ensued, during which Members raised a number of queries regarding the information detailed in the report and its appendices. In response, the Interim Chief Finance Officer and Assistant Director provided the following information:

- Public convenience overspend – The Chief Finance Officer advised that this was purely a timing issue due to an invoice not being paid in time for the end of the financial year.
- The main element of the residual variant being reported was investment income. Appendix 2 summarised the over and under spends that made up this position, with Appendix 1 providing detail of all budget lines. It was noted that the underlying position was mainly due to investment income.
- Maldon Promenade Overspend – It was confirmed that the amount detailed was the net position and a combination of any utility costs less any income.

The Chairperson moved the recommendations set out in the report which were duly agreed.

RESOLVED

- (i) That the Provisional Outturn position for the 2023 / 24 revenue budget as detailed at Appendix 1 to the report be noted;
- (ii) That the reasons for the residual variances in the revenue budgets, after proposed revenue commitments and movements in earmarked reserves, as detailed at Appendix 2 to the report be noted;
- (iii) That the revenue commitments detailed in Appendix 3 to the report be approved to be brought forward into 2024 / 25;
- (iv) That the movements in earmarked reserves in Appendix 4 to the report be approved;
- (v) That the Provisional Outturn position for the 2023 / 24 capital budget in Appendix 5 to the report be noted and the proposed capital commitments be approved to be brought forward into 2024 / 25.

226. EXCLUSION OF THE PUBLIC AND PRESS

In response to a query regarding Agenda Item 11 – Authority to Write Off Unrecoverable Debt and why it was not being discussed in open business, the Lead Legal Specialist and Monitoring Officer advised that there was sensitive personal data contained within the report which was not in the public domain and therefore considered private and confidential. Officers confirmed that other such cases had also been treated in this way.

The Chairperson moved the recommendation which was duly seconded and agreed.

RESOLVED that under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1, 2 and 3 of Part 1 of Schedule 12A to the Act, and that this satisfies the public interest test.

227. AUTHORITY TO WRITE OFF IRRECOVERABLE DEBT

The Committee considered the report of the Chief Finance Officer seeking Members' approval to write off debt which exceeded the officer delegation limit of £10,000.

The report provided detailed information regarding outstanding aged debt in relation to overpayment of Housing Benefit and unpaid Council Tax support and the action undertaken by the Council to recover these monies to date. It was noted that numerous attempts had been made to try and locate the persons, the debt was now over 12 years old and no payments had been made. The Chief Finance Officer explained that if further information was made available at any point in time it was possible to resurrect the debt.

A lengthy debate ensued and in response to questions raised by Members, the Assistant Director - Customer Services and Operations outlined how the Council had robust policies and used a variety of different processes and systems to locate persons in respect of recovering debt. It was noted that the Council had a very high recovery rate and were using software developed through a partnership agreement with Essex Councils, including Essex County Council.

In response to a question regarding the total outstanding debts for Council Tax and Business Rates, the Chief Finance Officer advised that the request was noted and would be brought back to the Committee. She also explained how monies in relation to writing off such debts impacted on the Council's collection fund.

Members were advised that although legislation permitted the Council to undertake a number of actions including taking bankruptcy orders against someone, the Council had to establish where the debtor was to make this effective.

The Chairperson moved the recommendation set out in the report and this was duly agreed.

RESOLVED that the write off of debt totalling £55,422.19 due to the debt not being recoverable following numerous, unsuccessful attempts to locate and due to the age of debt be agreed. The total amount to be written off relates to three debtors and is made up of £40,010.95 for overpaid Housing Benefit and £15,411.24 for unpaid Council Tax (including overpaid Council tax support).

There being no other items of business the Chairperson closed the meeting at 8.47 pm.

M F L DURHAM, CC
CHAIRPERSON