

MINUTES

of the

TREASURY MANAGEMENT AND INVESTMENT SUB COMMITTEE

held on 14 December 2020 at 7.00pm

Present:

Councillor C.K. Davidson (Chair)

Councillors M.W. Bracken, D.J.R. Clark, J. Galley. A.B. Sosin, R.T Whitehead

1. Apologies for Absence and Substitutions

Apologies for absence were received from Cllr P Clark.

2. Minutes

The minutes of the meeting held on 20 October 2020 were agreed as a correct record and signed by the Chair.

The Sub-Committee were updated on a matter arising from the minutes. It was noted that in addition to the confidential report circulated at the last meeting, there was a separate list of other smaller property assets. The Sub-Committee was informed that this would be circulated to them.

3. Declaration of Interests

All Members were reminded to declare any Disclosable Pecuniary interests or other registerable interests where appropriate in any items of business on the meeting's agenda. None were made.

4. Public Question Time

No questions were asked or statements made.

5. Treasury Management and Investment Strategies 2021/22

The Sub-Committee considered a draft report to the Cabinet on 26th January 2021 regarding the proposed Treasury Management and Investment Strategies for 2021/22. Members were asked to review the draft report and recommend the 2021/22 strategies to Cabinet on 26th January 2021 and then Full Council on 24th February 2021.

The Sub-Committee were provided with an overview of the documents and informed that they would essentially govern how the Council could invest its financial resources. The Sub-Committee was reminded that investment decisions within the approved strategy would

continue to be made by the Director of Financial Services after receiving advice from the Council's Treasury advisers Arlingclose.

The Sub-Committee heard that due to the pandemic, cash flow had been heavily distorted, with the Council passing on significant funding to local businesses from Central Government. The Sub-Committee was informed that this meant cashflow and investment balances would continue to be more difficult to predict. It was noted that the report recommended carrying a target of at least £15m in liquid funds to manage cashflow through the year. It was also noted that no changes were being recommended to how long the Council can invest or with which counter parties. The Sub-Committee was also informed that borrowing would only be undertaken for temporary liquidity or to fund the Capital Programme. The Sub-Committee also heard that in terms of non-cash investments, it was recommended that no new commercial property investments be made for the primary purpose of yield generation.

In response to questions from members of the Sub-Committee, it was confirmed that the two strategies were very similar to the current ones and there were not any significant changes. It was also confirmed that investment in the CCLA fund would not be prohibited by rule changes made by the Public Works Loan Board.

The Sub-Committee were happy with the proposed strategies and agreed that they should be recommended to the Cabinet.

RESOLVED that the Treasury Management and Investment Strategies be recommended to the Cabinet.

(7.05pm to 7.17pm)

6. Urgent Business

There were no matters of urgent business to discuss.

The meeting closed at 7.18pm.

Chair