

UNADOPTED

MINUTES OF A MEETING OF
THE POLICY AND RESOURCES COMMITTEE
MALVERN TOWN COUNCIL

held remotely via Zoom on Wednesday 2 December 2020 at 6.00 pm

Councillors

C Hooper (Chairman)
N Houghton
R McLaverty-Head
N Mills
J O'Donnell
J Satterthwaite
A Stitt
P Tuthill

Apologies

J Dallow

Absent

L Lowton

In attendance

Linda Blake - Town Clerk
Louise Wall - Minute Clerk
Cllr D Watkins
Cllr N Morton
Mark Davies, CCLA

103. APOLOGIES FOR ABSENCE

Apologies received from Cllr Julie Dallow were noted.

104. DECLARATIONS OF INTEREST

There were no declarations of interest.

105. MINUTES OF PREVIOUS MEETING

It was **RESOLVED** that the minutes of the following meeting be approved and adopted as a correct record of the proceedings, to be signed by the Chairman in due course:

- Policy and Resources Committee meeting 28 October 2020

PUBLIC PARTICIPATION

There was no public participation.

106. PRESENTATION: CCLA INVESTMENTS

The Chairman welcomed Mark Davies, Relationship Manager for Local Government, CCLA, to the meeting. Mr Davies explained that CCLA represents three bodies: charity investments, the Church and local authorities, and the way in which the funds invested on behalf of these are used.

Cllrs Neil Morton and Paul Tuthill joined the meeting.

The CCLA has to act properly and transparently. The Public Sector Deposit Fund Scheme was created after the Icelandic financial crisis of 2008, in order to avoid something similar happening again. It is a Triple A rated, low-risk cash fund, with a high level of diversification of investments and low risk. The yield is as close to the base rate as possible although this is currently very low.

An important element of CCLA is that it is governed by strict guidelines to make sure they follow correct procedures and only deal with reputable companies.

UNADOPTED

Cash deposits are placed across a range of banks enabling the risk to be spread far wider than if an authority tried to invest its funds itself. Mr Davies said that by using this simple scheme and spreading risk, Malvern Town Council was managing its cash well.

The Town Council also has funds invested in the CCLA's Local Authority Property Fund (LAPF), which is also used by MHDC. These are diversified over a number of different sectors but are all commercial investments rather than residential. Holdings in the LAPF are Treasury Investments and are not deemed as capital expenditure. The income for 2019 was 13.1 pence per unit and the lower end forecast for 2020 is 10.5 pence per unit.

107. **TOWN COUNCIL INVESTMENTS**

The Town Clerk explained that Town Council investments are currently approximately £260,000 invested in the Public Sector Deposit Account and £66,484 invested in the Property Fund.

The Town Clerk informed Committee that the amount of £66,484 invested in the LAPF in 2017 represented the Council's perpetuity funds. (These funds are ringfenced with the capital amount to remain untouched, but any interest being earned from the investment of such funds to be used to fund running costs.) In 2017, it was felt prudent to limit investment in the LAPF to a relatively low level, but given the Council's current level of reserves, it would now be possible it increase this amount if Committee wished to do so.

There was a short committee discussion after which it was **RECOMMENDED** to leave the Council's investment amounts unchanged for the present but to review these investments again next year.

108. **BUDGET 2021/22**

Report PR01/20 was received and accepted. The Chairman thanked the Town Clerk for her efforts in producing the budget report, a task which had been particularly difficult this year because of the requirement to keep the precept at the same level as the previous year, whilst accommodating committee requests to increase budgets in other areas.

The Town Clerk reported that the underspend in the reforecast figures was not as high as expected because additional projects and expenditure had been included to utilise underspends. However, this year could not be considered a normal year, because of the exceptional circumstances and effects of the coronavirus pandemic. It had already been agreed that Town Council charges would remain the same as the previous year except for the allotments, which would lose the early payment discount.

The tax base was not known at the time of the meeting, and it was difficult to predict what this might be. It was possible there would be an increase in the number of houses or a decrease depending on the number of households that may be claiming council tax relief, which was expected to have risen during the pandemic. Estimated figures would be received before the Full Council meeting to enable a fully informed precept decision to be made.

UNADOPTED

Members then raised the following points:

- The figure for the refurbishment of the bus stop at Rosebank Gardens seemed high at £15,000 – the repairs required are to the canopy and are quite complex as the bus shelter is listed.
- Whether the figure of £1,000 for training would be sufficient if training was needed when the new IT systems were in place – it was expected that some free online training would be used and so this figure would be adequate.
- It was clarified that the figure budgeted for a memorial plaque was £2,500.

It was **AGREED** that the budget for 2021/22 as laid out in Report PR01/20 would be presented to Full Council as a recommendation from Policy and Resources Committee with the precept to be set at £680,890, the same amount as in 2020/21.

EXCLUSION OF THE PRESS AND PUBLIC

It was **AGREED** to resolve pursuant to Section 1 of the Public Bodies (Admission to Meetings) Act 1960 to exclude the press and public from the meeting on the grounds that publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be transacted.

109. STAFFING MATTERS

The Town Clerk provided an update on staffing matters to the meeting.

110. DATE AND TIME OF NEXT MEETING

It was **AGREED** that the next meeting of the Policy and Resources Committee scheduled for Wednesday 9 December 2020 did not need to be held, all business having been completed.

It was **AGREED** that the next meeting of the Policy and Resources Committee will be on Wednesday 27 January 2021 at 6.00 pm.

The meeting finished at 7.05 pm.

.....
(Chairman)