

Council



Forest Heath
District Council

Title of Report:	Referrals Report of Recommendations from the Joint Executive (Cabinet) Committee	
Report No:	COU/FH/19/003	
Report to and date:	Council	20 March 2019
Documents attached:	Appendix 1: Appendix to Joint Executive (Cabinet) Committee Report No: CAB/JT/19/015 West Suffolk Joint Pay Policy Statement 2019/2020 Appendix 2: Joint Executive (Cabinet) Committee Report No: CAB/JT/19/018 'Newmarket Cinema and Restaurant Development: Outline Business Case' Exempt Appendix 3: Exempt Appendix A to Joint Executive (Cabinet) Committee Report No: CAB/JT/19/018 'Newmarket Cinema and Restaurant Development: Outline Business Case'	

(A) Referrals from Joint Executive (Cabinet) Committee:

(These referrals have been compiled before the meeting of the Joint Executive (Cabinet) Committee on 12 March 2019 and are based on the recommendations contained within each of the reports listed below. Any amendments made by the Joint Executive (Cabinet) Committee to the recommendations within these reports will be notified to Members accordingly)

1. Treasury Management Report 2018-2019 and Investment Activity (1 April – 31 December 2018)

Portfolio Holder: Cllr Stephen Edwards

Report No:
CAB/JT/19/010

**Performance and Audit
Scrutiny Committee**

Report No:
PAS/FH/19/008

RECOMMENDED, that:

The Treasury Management Report for 2018-2019 for the period 1 April to 31 December 2018, as detailed in Report No: PAS/FH/19/008, be approved.

- 1.1 Report No: PAS/FH/19/008 provides a summary of investment activities for the first nine months of 2018-2019.
- 1.2 The total amount invested at 1 April 2018 was £16.005m and at 31 December 2018 £19.800m. The increase in balances over this period was due primarily to timing differences in respect of the collection of local taxes, the payment of precepts and changes in the profile of the Capital Programme.
- 1.3 The 2018/19 Annual Treasury Management and Investment Strategy Statements sets out the Council's projections for the current financial year. The budget for investment income in 2018/19 was £224,000 which was based on a 0.75% target average rate of return on investments.
- 1.4 As at the end of December 2018 interest actually earned during the first nine months of the financial year amounted to £102,266 against a profiled budget for the period of £168,000; a budgetary deficit of £65,734. This was due to lower cash balances as a result of re-phasing of some income generated projects:

INTEREST EARNED & AVERAGE RATE OF RETURN SUMMARY			
Investment Category	Total Average Investment	Average Rate of Return (%)	Interest Earned
City Deposit Cash Managers	2,000,000	0.798%	4,328.10
Temporary Investments	1,178,835	0.721%	69,196.99
Lloyds 95 Day Account	2,463,163	0.778%	14,436.21
NatWest LSA	41,756	0.062%	19.37
Barclays FIBCA	1,824,487	0.400%	5,498.45
Santander 180 Day Account	1,000,000	0.811%	6,109.59
Santander 95 Day Account	500,000	0.711%	2,678.08
Total Overall Average Return on Investments %			0.704%
Total Interest Earned - 1 April 2018 to 30 Sept 2018			102,266.79
LIBOR 3 Month Average			0.722%

- 1.5 The report also included assumptions on borrowing for capital projects included within it. The borrowing was based around four specific projects

as per their agreed business cases (West Suffolk Operational Hub; Mildenhall Hub; Barley Homes - Loan Facility; Investing in our Growth Fund). The report included a summary of the capital borrowing budget for 2018-2019, and a summary of capital borrowing for Quarter Three. As at the end of quarter three, there had been no requirement to borrow externally over and above the £4.0m Barclays loan. Therefore the only interest payable for Quarter Three was the £85,032.33 relating to this loan. The detail on these budgets are laid out below:

SUMMARY OF CAPITAL BORROWING BUDGET 2018/19 (including c/f amounts)			
Project	Borrowing	Minimum Revenue Provision (MRP)	Interest Payable
West Suffolk Operational Hub	£2,585,263	£0	£0
Mildenhall Hub*	£4,560,000	£0	£0
Mildenhall Swimming Pool	£24,000	£0	£0
The Flowerpot – Brandon*	£50,000	£0	£0
Wellington Street Pedestrian Scheme – Newmarket*	£150,000	£0	£0
Barley Homes – Loan Facility*	£1,695,750	£0	£0
Investing in our Growth Fund	£20,000,000	£600,000	£412,500
Newmarket Leisure Centre (relating to £4m from 2008)	£4,000,000	£122,250	£169,600
Toggam Solar Farm (amount carried forward from 2017/18)	£2,290,041	£436,000	£202,000
Total	£35,355,054	£1,158,250	£784,100

**These projects were originally to be funded from capital receipts, however the Council took advantage of utilising capital receipts available at the time to finance the solar farm projects – creating additional (albeit temporary) savings in borrowing costs. The borrowing costs to fund these projects sits within the Toggam Solar Farm line.*

- 1.6 Members may also view the full reports on the Council’s website via the above links or may request a paper copy from Democratic Services.

2. West Suffolk Joint Pay Policy Statement: 2019/2020

Portfolio Holder: Cllr Stephen Edwards

Report No: CAB/JT/19/015 and Appendix 1 (which is also attached to this referrals report at Appendix 1)

RECOMMENDED, that:

The West Suffolk Joint Pay Policy Statement for 2019/2020, as contained in Appendix 1 to Report No: CAB/JT/19/015, be approved.

- 2.1 The Localism Act and supporting guidance provides details of matters that must be included in this statutory pay policy, but, also, emphasises that each local authority has the autonomy to take its own decisions on pay and pay policies. The Pay Policy Statement must be approved formally by full Council each year. The statement can be amended in year, must be published on the Council's website and must be complied with when setting the terms and conditions of Chief Officers.
- 2.2 This Pay Policy Statement includes a policy on:-
 - (a) the level and elements of remuneration for Chief Officers (senior staff);
 - (b) the remuneration of the lowest paid employees;
 - (c) the relationship between the remuneration of the highest and lowest paid employees; and
 - (d) other specific aspects of Chief Officer remuneration, fees and charges and other discretionary payments.
- 2.3 This Pay Policy Statement, which for ease of reference is attached as Appendix 1 to this report, is a joint statement with Forest Heath District Council and St Edmundsbury Borough Council, which covers our integrated workforce and Leadership Team.
- 2.4 The Code of Practice for Local Authorities on Data Transparency provides guidance on good practice in this area. The Council's approach to data transparency is to establish the Council as an open and transparent Council that, in time, not only embraces the principles of the Code, but, publishes all information that is likely to be of benefit to the communities and economy of our area.
- 2.5 Data can already be access through the "open data" link on our website. The Pay Policy Statement is published in that section annually.
- 2.6 Members may also view the full report and its Appendix (which is also attached to these referrals report), on the Council's website via the above links or may request a paper copy from Democratic Services.

3. Newmarket Cinema and Restaurant Development: Outline Business Case

Portfolio Holder: Cllr Lance Stanbury

Report No:
CAB/JT/19/018 (which is also attached to this Referrals report at Appendix 2)
and
Exempt Appendix A (which is also attached to this Referrals report at Exempt Appendix 3)

RECOMMENDED, that:

- (1) The project objectives to continue to work towards bringing a cinema and restaurant development to the heart of Newmarket be endorsed.**
- (2) The Outline Business Case for the development of a 3 or 4 screen cinema, as contained in Exempt Appendix A to Report No: CAB/JT/19/018, be approved;**
- (3) A budget of up to £190,000 be approved, funded by Strategic Priorities and MTFS reserve, to deliver the further design and study work as set out in paragraph 6.1 and Table 11 of the Outline Business Case; and**
- (4) An additional £20,000 be approved, funded by Strategic Priorities and MTFS reserve, to undertake a condition and options review of the Guineas multi-storey car park.**

- 3.1 For ease of reference, the full Joint Executive (Cabinet) Committee report (attached as Appendix 2) and its Exempt Appendices (attached as Exempt Appendix 3) are attached to this referrals report.
- 3.2 Whilst being attached to this report, Members may also view the full report (but not the Exempt Appendices) on the Council's website via the above link.