

# Recommendation of the Performance and Audit Scrutiny Committee: 30 July 2020: Annual Financial Resilience Report (2019-2020)

<b>Report number:</b>	<b>CAB/WS/20/054</b>	
<b>Report to and date(s):</b>	<b>Cabinet</b>	22 September 2020
	<b>Council</b>	29 September 2020
<b>Cabinet member:</b>	Councillor Sarah Broughton Portfolio Holder for Resources and Performance Telephone: 07929 305787 Email: <a href="mailto:sarah.broughton@westsuffolk.gov.uk">sarah.broughton@westsuffolk.gov.uk</a>	
<b>Chair of the Performance and Audit Scrutiny Committee:</b>	Councillor Ian Houlder Performance and Audit Scrutiny Committee Telephone: 07597 961069 Email: <a href="mailto:ian.houlder@westsuffolk.gov.uk">ian.houlder@westsuffolk.gov.uk</a>	
<b>Lead officer:</b>	Rachael Mann Assistant Director (Resources and Performance) Telephone: 01638 719245 Email: <a href="mailto:rachael.mann@westsuffolk.gov.uk">rachael.mann@westsuffolk.gov.uk</a>	

**Decisions Plan:** This item is included on the Decisions Plan.

**Wards impacted:** All wards

**Recommendation:** It is recommended that, subject to the approval of Council, the Annual Financial Resilience Report (2019-2020), as contained in Report number: FRS/WS/20/001, be approved.

## **1. Context to this report**

### **1.1 Annual Financial Resilience Report 2019-2020**

Following the Financial Resilience Sub-Committee's consideration of report number: FRS/WS/20/001, the Service Manager (Resources and Performance) reported on the Sub-Committee's consideration of the report and recommendation.

## **2. Proposals within this report**

2.1 The West Suffolk Council's Annual Financial Resilience Report for 2019-2020 included tables summarising the interest earned and the average rate of return achieved during 2019-2020; investment activity during the year; investments held as at 31 March 2020 and capital borrowing budget 2019-2020.

2.2 The budget for investment income in 2019-2020 was £142,141 which was based on a 0.90% target average rate of return on investments. Interest actually earned during the financial year totalled £389,892 (average rate of return of 0.828%), against a budget for the year of £142,141; a budgetary surplus of £247,751.

2.3 The report included assumptions on borrowing for the capital projects included within it and was based around three main projects:

- West Suffolk Operational Hub;
- Mildenhall Hub; and
- Investing in our Growth Fund.

There was also the long-standing £4 million loan relating to the Newmarket Leisure Centre and £2.29 million of internal borrowing relating to the purchase of the Toggam Solar Farm.

2.4 The report also included a summary of the capital borrowing budget for 2019-2020; borrowing and income – proportionality; borrowing and asset yields; borrowing and temporary loans and other market considerations.

2.5 The Sub-Committee had scrutinised the Annual Financial Resilience Report 2019-2020 in detail and asked questions of officers to which response were provided.

2.6 The Performance and Audit Scrutiny Committee considered the report and did not raise any issues to be brought to the Cabinet's attention.

2.7 The Performance and Audit Scrutiny Committee has put forward a recommendation as set out on page one of this report.

**3. Alternative options that have been considered**

3.1 Not applicable.

**4. Consultation and engagement undertaken**

4.1 Not applicable.

**5. Risks associated with the proposals**

5.1 Not applicable.

**6. Implications arising from the proposals**

6.1 Financial:

See Report number: [FRS/WS/20/001](#)

**7. Appendices referenced in this report**

7.1 None

**8. Background documents associated with this report**

8.1 Report number: [FRS/WS/20/001](#)