

Present: The Mayor, Councillor Kellie Hinton
The Deputy Mayor, Councillor Lorraine Hillier
Councillor Sara Abey
Councillor Ken Arlett
Councillor Julian Brookes
Councillor Will Hamilton
Councillor Glen Lambert
Councillor Ian Reissmann (Vice Chair)
Councillor Jane Smewing (Chair)

In attendance: Janet Wheeler – Town Clerk
Liz Jones – HTC Accountant/RFO
Hilary King – Committee Administrator
1 member of the public
1 member of the media

49. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Ms H Chandler-Wilde

50. **DECLARATIONS OF INTEREST**

Councillor Julian Brookes – Min 61 – Legal Update – Pecuniary – YMCA – Trustee.

The Mayor, Councillor Kellie Hinton – Min 59 - Free Use – Friends of Trinity School – Personal – child at Trinity. Min 61 - Legal Update – Pecuniary – YMCA Trustee,

51. **PUBLIC PARTICIPATION SESSION**

There were no questions from the public.

52. **MINUTES**

The Minutes of the meeting of the Finance Strategy and Management Committee held on 19 September 2017 were received, approved and adopted and signed by the Chairman as a true record.

53. **PROGRESS REPORT**

Councillors received and considered the Progress Report and made the following comments:

SODC funds from the Council Tax Reduction Scheme

It was noted that The Secretary of State's speech to the National Association of Local Councils annual conference 2017 had addressed the issue of funding. On this issue he said:

“The government has previously issued guidance to billing authorities on this, making clear that they should work with parish and town councils to pass down appropriate levels of funding. But from my conversations with you, it's clear that too many top-tier councils aren't following that guidance closely enough. So let me promise you all today that I'll be exploring ways in which I can strengthen the requirement for principal authorities to pass a share of local council tax support to their towns and parishes.”

In view of the fact that HTC had been advised that no funds were expected to be passed down from SODC, it was agreed that Councillor Hillier should write in her capacity as District Councillor to SODC requesting that they re-consider in view of Sajid Javid's statement.

East Eyot Island

No further contact had been received from the owner's representative. It was agreed that the Committee Administrator should write again in the spring to enquire whether any progress had been made regarding maintenance.

Community Infrastructure Levy/Boundary Review

With regard to the boundary review, a question was asked whether there was any possibility of having the review before the Highlands Farm CIL became payable. It was confirmed that the review would be undertaken before the 2019 election but not be implemented until after it though occupation of the development was likely to take place before 2019. The CIL money is due to be received over the four year period May 2018 – May 2021, total £538k. It was believed that Harpsden parish was expected to spend this on Gillotts Lane and therefore that HTC should be actively discussing with Harpsden their plans. HTC should also be pressing SODC to be included in the boundary review process and their plans for expenditure of their 75% of the CIL money from the development

[Post meeting notes from the Accountant:

a) SODC has confirmed that all of the CIL funds will be remitted to the parish in which the development was sited when the planning permission was granted, irrespective of when it is paid over. It has also been confirmed that SODC are still devising their spending strategy for their share of CIL monies generally – a workshop for Councillors is to be arranged.

b) The planning permission decision notice for Highlands Farm includes a requirement for the developer to make 3 x build-outs along Gillotts Lane as traffic calming measures.]

54. **PRESENTATION BY INVESTMENT MANAGERS, INVESTMENT REPORT and ANNUAL TREASURY MANAGEMENT STRATEGY 2018-19.**

Investment Managers (IMs)

The Chair invited Nick McGregor (Redmayne Bentley) and Charles Heaton (Investec) to the table to address the meeting on the subject of the Council's investments.

Nick McGregor (Redmayne Bentley) confirmed that following the transfer of funds from Rathbones and careful restructuring of the portfolio, an increase in investment income to around £78k for 2018-19 should be enjoyed by the Council whilst maintaining the risk profile at low/medium. He had prepared notes for the meeting and he talked Councillors through the papers. A copy is attached to these minutes.

Charles Heaton (Investec) had also prepared a presentation which he spoke to and those notes are also attached. He confirmed that the portfolio was expected to generate c£90k in income for the council in 2018-19.

Issues covered included:

- A crash in the stock market was unlikely although there would probably be some re-settling after such a strong run.
- The US will be reining back on quantitative easing.
- IMs careful not to be over-exposed to bonds.
- Inflation increasing due to the weak pound which will mean a rise in interest rates.
- Most growth is currently being seen in China/Asia.

The current Investment Strategy limits the portfolio's exposure to overseas markets to 35% but both IMs felt that raising this limit to 40% would be beneficial and would not overly increase the risk rating. This could be achieved by reducing the holding of fixed interest stocks.

The IMs also confirmed that HTC's portfolio is being positioned to take account of the possible effects of Brexit by having less exposure to UK stocks.

Although no guarantees could be given, as far as the best timing for drawdowns was concerned the 'sell in May' principle remained sound.

The Chair thanked both Nick and Charles for their time and informative presentations and looked forward to seeing them both in 12 months.

Investment Report and Annual Treasury Management Strategy.

The meeting noted the report prepared by the Accountant. The figure of £160k stated for investment income was revised in light of the IM's latest update and increased by £5k. Following the IM's presentation and their confirmation that overseas stock should make up a higher percentage of the portfolio, the change was agreed.

It was RESOLVED to RECOMMEND that the

investment report be noted,

income figure of £165k be included in the 2018-19 budget and

Annual Treasury Management Strategy 2018-19 be approved subject to Para 5b) being amended to read "To manage exchange rate risk, non-sterling denominated assets should not exceed 40% of the portfolio value".

55. **FINANCE**

i) Management Accounts

The meeting reviewed the papers but no queries were raised.

It was RESOLVED that the reports be received and noted.

ii) Investment Performance

The meeting noted the latest performance figures.

It was RESOLVED that the update be received and noted.

iii) List of payments

No comments were made on the payment listings.

It was RESOLVED that the report be received and noted.

iv) HTC's own Grant Applications to SODC

The latest position regarding the list of projects for grants was noted.

It was RESOLVED that the report be received and noted.

v) Cumulative suppliers list (April – Sept)

It was confirmed that the Windowflowers Ltd turnover figure comprised the horticultural contract and hanging baskets since April. The Accountant confirmed that Grundon Waste Management were the only company that could undertake the emptying of the Parks compactor. An exercise had been carried out in the last couple of years to see if there were any alternative suppliers.

It was RESOLVED that the report be received and noted.

56. **2018-19 DRAFT BUDGET**

The Chair explained that the budget as presented showed a deficit of £67.7k. She had reviewed the items to see how this figure could be reduced. The suggestions were as follows:

- Raise the precept by 7% rather than 5% (+£9.8k)
- Include the revised income predicted by the Investment Managers to £165k (+£5k)
- Continue to charge for small Christmas trees (+£7k)
- Omit Wotton Manor car park set-up costs (+£7k) and income (-£1k). This could be reviewed again at a later stage when the Makower development had been completed.
- Continue downstairs Barn rental (+£6k)
- Continue some 357RR income (+£2k)
- Use CIL for car club (+£6k)
- Inflation increase for Mayors allowance (-£0.2)

However, other late adjustments should include:

- Loss of SODC contribution to Town Manager salary costs (-£11k)
- Reduction in HTC contribution to Town Improvements/Action Plan to from £20k to £16k (+£4k) – SODC to continue to contribute £4k so total Action Plan expenditure budget is down from £24k to £20k

It was also suggested that the Wootton Manor/Mill Lane/Mill Meadows car parks should not be resurfaced at this time but patched as necessary. This would mean that the Planned Maintenance budget could remain at £40k.

The suggested alterations above would reduce the deficit to £32.9k.

It was pointed out that ideally it was always prudent to set a balanced budget and the Council should be working towards this over the next few years. However, with the council tax not being raised for the last four years has meant the council losing c£62k over the period due to inflation. In addition, it has taken on, and supported, a number of services previously funded by SODC.

Even with the proposed 7% council tax rise from £87.00 to £93.09, the Band D amount still compared very favourably with places such as Thame and Wallingford. In essence, the proposed increase meant an additional 12p/week for every Band D household.

There was a lengthy discussion concerning the council tax rise. A Member asked whether it could be mitigated by further increasing revenue (or even considering purchasing assets that were revenue producing). However, the proposal was made to support the suggestions made from the Chair. A recorded vote was requested.

For
Councillor Ken Arlett
Councillor Miss L Hillier
Councillor Glen Lambert
Councillor Kellie Hinton
Councillor Ian Reissmann
Councillor Jane Smewing

Against
Councillor Sara Abey
Councillor Julian Brookes
Councillor Will Hamilton

The motion was carried.

Consequently, it was RESOLVED to RECOMMEND that the budget as presented be approved subject to the following amendments:

- **Raise the precept by 7%**
- **Include the revised income predicted by the Investment Managers**
- **Continue the charge for small Christmas trees**
- **Omit Wotton Manor car park cost and income**
- **Continue Barn rental**
- **Continue some 357RR income**
- **Use CIL for car club**
- **Inflation increase for Mayors allowance**
- **Extra net cost of Town Manager/Action Plan combined**

An updated version of the budget is attached to these minutes

57. **PARKS SERVICE VEHICLE**

The meeting discussed the need for a new Parks vehicle and agreed that a purchase was necessary. However before committing to the recommended Cabstar SWB Diesel, it was suggested that further investigation is undertaken to see if there was an electric equivalent that could satisfactorily perform the same tasks.

It was RESOLVED to RECOMMEND the purchase of a new vehicle subject to investigations regarding an electric equivalent (in terms of price and capability) – findings to be brought to Full Council.

[Post meeting note: Enquiries revealed that the only comparable electric vehicle to the diesel Nissan Cabstar (£21k per report) would cost around £50k. The make is Alke and such a vehicle would have a maximum speed of 27mph and a 40-50 mile range of distance before requiring recharging. It does not perform well off-road due to insufficient power to get through wet ground/long grass. It is recommended that Councillors approve the purchase of the diesel Nissan Cabstar at £21k as recommended by the RFO at the meeting. Signwriting costs will be additional.]

58. **STAFF CHRISTMAS ARRANGEMENTS 2017-18**

The meeting recognised the hard work of the staff this year especially with the on-going shortage of human resources. It was suggested that the Council contribution be increased this year as it had remained unchanged for the previous 4 years.

It was RESOLVED to RECOMMEND that

- **the Town Hall is closed from Monday 25 December 2017 to re-open on Tuesday 2 January 2018 , and that three days are granted to staff as additional, discretionary, non-contractual leave, subject to any cover arrangements required by the Town Clerk.**
- **staff required to provide cover during the normal working hours of 27 December 2017 to 1 January 2018 inclusive i.e. Park Services, Caretakers and Parking Wardens be granted time off in lieu on a straight one for one basis.**
- **the Council considers making a contribution of up to £750 (+ VAT if applicable) towards the staff Christmas team event as a token of the Council's thanks and appreciation for their work throughout the past year.**

59. **FREE USE LIST**

The meeting reviewed the request from the Friends of Trinity School to be added to the Free Use list. They had confirmed that they would like to use a small room in the Town Hall for occasional events, and committee meetings at most 3 times a year. There were no objections to the request but it was felt that monitoring of all free use should continue. It was confirmed that events organised outside the normal free use policy times would still need to be paid for, or a free use grant application made.

It was **RESOLVED** to **RECOMMEND** that the free-use list is updated to include Friends of Trinity School (FOTS).

60. **EXCLUSION OF THE PUBLIC AND THE PRESS**

It was moved by the Chairman and

RESOLVED that the public and the press be excluded from the remainder of the meeting in accordance with the Public Bodies (Admission to Meetings) Act 1960 as matters which were about to be discussed were considered to be confidential.

MINUTES OF THE CONFIDENTIAL SESSION OF THE MEETING OF THE FINANCE STRATEGY & MANAGEMENT COMMITTEE HELD ON 31 OCTOBER 2017

61. **CONFIDENTIAL**

i) **LEGAL UPDATE**

YMCA

The update was noted.

It was **RESOLVED** to **RECOMMEND** that the Town Clerk is given delegated authority to review and sign off the relevant documentation subject to OCC's confirmation of completeness.

Blandy Road land

The Town Clerk was asked to write to the school and asked for an update of the current situation. The letter should reiterate the Council's support for their long term aims.

Fairmile Access

The Town Clerk was requested to write to Vail Williams to engage them for the services previously agreed at Full Council on 10 October.

357 Reading Road

The Town Clerk updated the meeting regarding the tenants' situations.

It was **RESOLVED** to **RECOMMEND** that the Town Clerk be given delegated authority to deal with (and approve) the resulting tenancies and associated documentation.

It was **RESOLVED** to **RECOMMEND** that the Legal Update be noted.

ii) **353-357 READING ROAD**

Councillor Ken Arlett updated the meeting with the latest developments. The developer had requested an extension to the Exclusivity Agreement and the pros and cons of signing up to a new agreement was debated.

It was **RESOLVED** to **RECOMMEND** that the notes of the meeting held on 4 and 13 October be noted.

iii) HTC STAFFING

The Town Clerk gave the meeting a verbal update on the latest officer staffing situation.

The meeting closed at 10.30pm.

Chairman
1.11.17

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