

CITY OF
WOLVERHAMPTON
COUNCIL

Our Council Scrutiny Panel

25 November 2020

Time 6.00 pm **Public Meeting?** YES **Type of meeting** Scrutiny

Venue Microsoft Teams Meeting

Membership

Chair Cllr Bhupinder Gakhal (Lab)

Vice-chair Cllr Udey Singh (Con)

Labour

Cllr Alan Bolshaw
Cllr Milkinderpal Jaspal
Cllr Susan Roberts MBE
Cllr Dr Paul John Birch J.P.
Cllr Roger Lawrence
Cllr Hazel Malcolm

Conservative

Cllr Payal Bedi-Chadha
Cllr Simon Bennett

Quorum for this meeting is three Councillors.

Information for the Public

If you have any queries about this meeting, please contact the Democratic Services team:

Contact Earl Piggott-smith

Tel/Email earl.piggott-smith@wolverhampton.gov.uk /01902 551251

Address Democratic Services, Civic Centre, 1st Floor, St Peter's Square,
Wolverhampton WV1 1RL

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Agenda

Part 1 – items open to the press and public

Item No. *Title*

1 Welcome and Introductions

[The Chair to welcome everyone to the meeting. The Scrutiny Officer will then read out a list of those invited to the meeting to confirm who is in attendance.]

2 Meeting procedures to be followed

[The Chair will explain how the meeting will proceed, how questions are to be asked and any matters of meeting etiquette.]

MEETING BUSINESS ITEMS

3 Apologies

4 Declarations of interest

5 Minutes of previous meeting (Pages 3 - 12)

[To approve the minutes of the previous meeting as a correct record]

6 Matters arising

[To consider any matters arising from the minutes]

DISCUSSION ITEMS

7 Draft Budget and Medium Term Financial Strategy 2021-2022 to 2023-2024 (report to follow)

[Alison Shannon, Chief Accountant, to present report]

8 Harnessing the power of digital for the future and agile working (report to follow)

[Charlotte Johns, Director of Strategy, to present report]

9 Our Council Scrutiny Panel 2019 20 - Draft Work Programme (Pages 13 - 22)

[Earl Piggott-Smith, Scrutiny Officer, to present report]

INFORMATION ONLY

10 Treasury Management Activity Monitoring Report 2020-21 Quarter 1 (Pages 23 - 50)

11 Treasury Management Activity Monitoring – Mid Year Review 2020-2021 (Pages 51 - 60)

Attendance

Members of the Our Council Scrutiny Panel

Cllr Alan Bolshaw
Cllr Payal Bedi-Chadha
Cllr Milkinderpal Jaspal
Cllr Susan Roberts MBE
Cllr Simon Bennett
Cllr Roger Lawrence
Cllr Bhupinder Gakhal (Chair)
Cllr Udey Singh (Vice-Chair)

In Attendance

Cllr Louise Miles

Cabinet Member Resources

Employees

Earl Piggott-Smith
David Pattison
Charlotte Johns
Claire Nye
Mark Bassett
Julia Nock
Martin Stevens
Julia Cleary

Scrutiny Officer
Director of Governance
Director of Strategy
Director of Finance
Project Director Regeneration
Head of Assets
Scrutiny Officer
Scrutiny and Systems Manager

Part 1 – items open to the press and public

Item No. *Title*

- 1 **Welcome and Introductions**
Cllr Bhupinder Gakhal, Chair, welcomed everyone to the virtual meeting and advised it was being live streamed to the press and public. Cllr Gakhal advised that he was not expecting any exempt or restricted items on the agenda. A recording of the meeting would be available for viewing on the Council's website at a future date
- 2 **Meeting procedures to be followed**
Cllr Gakhal explained the protocol to be followed during the meeting for asking questions and reminded everyone that microphones should be muted and cameras off, unless they have been invited to speak. Earl Piggott-Smith, Scrutiny Officer, invited all attendees to introduce themselves to confirm they were present at the meeting.

Please note that the following employees were also in attendance at the meeting:

Claire Nye
Julia Nock
Mark Bassett
Charlotte Johns
Laura Phillips
David Pattison
Martin Stevens
Julia Cleary

Cllr Louise Miles – Cabinet Member Resources was also in attendance

3 **Apologies**

Apologies were received from the following:

Cllr Paula Brookfield
Cllr Jacqueline Sweetman
Denise Pearce

4 **Declarations of interest**

There were no declarations of interest recorded.

5 **Minutes of previous meeting (15 January 2020)**

Cllr Payal Bedi-Chada advised the panel that she did attend the meeting on 15.1.2020. The panel accepted the correction.

The panel members voted and approved the minutes of the meeting held on 15 January 2020, subject to the amendment, as being a correct record.

6 **Matters arising**

There were no matters arising from the minutes.

7 **Our Council Scrutiny Panel - update presentation (report to follow)**

Claire Nye, Director of Finance, explained that this was going to be a joint presentation with other colleagues. The aim of the presentation on the theme of **Our Money** was to provide the panel with an update on work areas within its remit done in response to the Covid 19 crisis.

The Director of Finance outlined how the Council responded at start of the crisis, a review on learning and future plans for managing the crisis during the recovery period.

The Director of Finance outlined the key priorities related to Our Council Scrutiny Panel and the focus on adopting good practice and having the right financial controls across the Council to enable it to respond to the crisis. An important part of this work was to continue to exercise good financial discipline only spending where there is budget and authority allowed throughout the crisis, despite the need to make decisions at speed.

The service was also responsible for managing the different Government grant allocations awarded to the Council and using this information to prepare a budget.

The Director of Finance reassured the panel that all spending decisions followed correct procedures and also new financial systems were introduced to manage service budgets and to support colleagues. A regular financial update was produced for colleagues across the Council and a financial tracking system was introduced.

The Director of Finance commented on the different challenges facing the service during the crisis, while also ensuring for example, the service continued to provide a normal range of transactional functions and support, for example payment to suppliers.

The Director of Financial detailed the financial support offered to businesses and residents during the crisis.

Charlotte Johns, Director of Strategy, introduced the **Our Data** theme part of the presentation to the panel. The Director of Strategy briefed the panel about the work of data and insight performance team and ICT service. The Director of Strategy highlighted the importance of making evidence-based decisions at the heart of the Council's response to the Covid 19 crisis.

The Director of Strategy advised the panel that an Insight and Performance Lead was appointed to the every Covid 19 workstream, for example, Stay Safe Be Kind Helpline, Business Grants to develop robust mechanisms needed to capture data which was used to inform future planning. The work involved developing dashboards to visualise data in an easy and accessible way to enable the Council to better understand the impact of Covid 19 on different parts of City. The analysis of evidence was also used to inform recovery plans and the development of the Relighting Our City document published on 16 September 2020.

The Director of Strategy explained the work done to better understand the impact of Covid 19 on council employees and also on residents, and from the economic view. The work was done to check that the Council was effectively responding to the impact of Covid 19 and also supporting business as usual activities.

Charlotte Johns, Director of Strategy, introduced the **Our Technology** theme part of the presentation to the panel. The Director of Strategy advised the panel of the work being done to support the rapid introduction of arrangements to support mobile working such as Microsoft Teams and ensuring employees had the right devices and services.

The findings from a 'life in lockdown' survey of employees reported that 60 per cent of employees had never or rarely previously worked at home, which gives an indication on the scale of rapid introduction of systems to support agile and home working.

There are a number of key Covid-19 work streams and ICT was integral in helping deliver key systems to support the Council response such as the Stay Safe Be Kind hotline. In addition, work was done to provide a secure infrastructure and network for employees working from home. The Director of Strategy advised the panel that the service had been externally accredited to show that it had effective cyber security

arrangements. The service is continually to roll out key infrastructure projects and ICT and digital service improvements.

Julia Nock, Head of Assets, introduced the **Our Assets** theme presentation. The Head of Assets outlined the work done with colleagues across different service areas during the early stages of the pandemic to ensure council buildings were safe to access and to support the Council's wider Covid response.

The Head of Assets detailed the health and safety checks done to ensure council buildings would be able to open safely, for example, legionella testing. The service provided reassurance other council buildings were safe to use, including those buildings that remain closed. The Head of Assets outlined the work to be done to comply with current and future safety requirements to reduce the risk of disease transmission, for example, reviewing cleaning specifications across all buildings.

The Head of Assets outlined the support given to commercial tenants with "rent payment holidays" to assist with financial pressures arising from the lockdown in business who have either not been able to open or operating on much lower levels of customer footfall.

The service is undertaking security and compliance checks for all buildings, whether they've remained open or closed throughout the lockdown which will continue going forward.

David Pattison, Director of Governance, introduced the **Our People** theme presentation and advised the panel that at the start of the pandemic there was a commitment from the Leader and Chief Executive to provide continued reassurance that employees jobs were safe, and their pay would be protected.

The Director of Governance praised the response of employees to support residents and local businesses in the setting up of the food distribution hub and the stay safe be kind helpline.

The Director of Governance commented on the important work to communicate changes with employees and managers and to keep them safe in challenging circumstances. There is a recognition that some employees working from home may also need other support and the focus on employee wellbeing.

The Director of Governance explained the plans for the re-opening council services and added that a risk assessment would be done to keep employees safe. Employees would be consulted about the working arrangements. The Director of Governance advised the panel that individual risk assessments have also been done to consider other risk factors, such as age, existing health issues, family circumstances to get a better overall picture of an employee needs.

The Director of Governance commented on the redeployment policy and work done to support people who were not able to undertake their existing duties during the lockdown.

The Director of Governance commented on the offer of local testing and the ongoing work to consult with trade unions on developments.

David Pattison, Director of Governance, introduced the **Governance** theme outlined the work done to ensure that all decisions were properly authorised using existing delegations or a formal decision. The Director of Governance commented on the introduction of new ways working such as remote meetings with a focus on making sure that the Council was doing the things in right way with a formal signoff under the Coronavirus Act.

The Director of Governance that there is a now a full calendar of remote meetings scheduled for the current municipal year. The panel was advised that when Annual Council was postponed the original post holders remained.

The Director of Governance advised the panel that a protocol for making urgent decisions was developed. All decisions made under the authority given to the Council are recorded and then shared with all Councillors as part of the regular weekly communication to keep them updated. The risk registers of Covid-19 is now produced alongside Strategic Risk Register to show a proper audit trail for all actions and justifications including evidence supporting these decisions.

Claire Nye, Director of Finance, commented on the new working arrangements in place as part of the Council recovery plan and gave a summary of the key priorities and specific areas of future work linked to each of themes.

The panel thanked each of the presenters and members were invited to comment or ask questions about the presentation.

The panel queried a press report which stated that £200,000 of business grants had been fraudulently claimed in Wolverhampton and that investigations were ongoing, and more information was being sought.

The panel asked for an explanation about how this might have occurred, while accepting that any grant giving body is at risk for fraud, and any lessons that have been learnt to reduce the risk of this happening in the future. The Director of Finance responded that the issue itself was highlighted in a report presented recently to the Audit and Risk Committee. The report detailed the financial controls in place to prevent potential fraud arising from the award of government grants.

The Director of Finance offered to present a copy of the same report to the panel to review progress. The Director of Finance advised the panel that the figure quoted is an estimate of the risk of potential fraud based on the number of claims and offered reassurance about the financial checks being used to prevent this. In some situations, people who have claimed a grant have been asked for provide further information to support their application, without there being any implication of the claim being fraudulent.

The panel welcomed the report.

Resolved:

The panel agreed to note the presentation.

8 **Our Assets Programme**

Julia Nock, Head of Assets, presented the headlines of a report on the work done with the Our Assets service area to respond to the issues arising from the pandemic.

The Head of Assets advised the panel that the work of the service is presented to the Asset Management Board for comment. The Head of Assets commented on the important role of Our Council Scrutiny Panel in reviewing draft documents and giving feedback before moving forward with proposals.

The Head of Assets commented on the fundamental changes to the future demand for built assets as a result of the pandemic which was expected to change the way in which some buildings are used and in some cases some buildings will be left empty.

The Head of Assets added that the findings from employee survey showed support for a blend of remote and office working. In addition, the feedback showed people see the benefits of this arrangement. The Head of Assets commented the opportunities presented by the pandemic to consider ideas for working differently and to become more efficient which will lead to changes in current policy.

The Head of Assets commented that the Council will pro-actively reviews and rationalise the current property portfolio to look for opportunities to save money, reduce the carbon levels and improve outcomes for our communities. The work will be done in discussions with local partners and communities.

The Head of Assets outlined the outcomes for the programme.

The Head of Assets commented on the key drivers that will inform the review of Council assets and added that there was likely to be some form of rationalisation in the current portfolio which will then have a reduction in the levels of carbon emissions. A smaller property portfolio will have other benefits such as reduced expenditure on running cost repairs and maintenance. The overall aim will be to have the right buildings and assets in the right place that delivers better outcomes for residents, employees, partners and local communities which works alongside the Council's future operating model.

The Head of Assets outlined some of the factors that will help to maintain a more manageable property portfolio, which could in some situations mean the Council acquiring new assets with the aim of making make sure that Council assets contribute to the economic recovery of the City and links to other work areas.

The Head of Assets commented on the work being done to improve the quality of data to help make more informed decisions about the management of Council assets. This will be a key workstream in the future work plans and also provide a challenge about whether we have the services in the right places.

There is a separate workstream considering the future use of the Civic Centre which involves working with health partners in discussing ideas about how assets could be used to deliver services in the future.

The Head of Assets commented on the disposal of assets policy and the work done to support the transfer of assets to community groups to manage.

The views of the panel will be useful in helping to develop this policy in the future and also to better understand the impact of such decision on the property estate and the importance of working with a range of stakeholders.

The Head of Assets commented that many Council buildings were closed following the lockdown, however some buildings were needed to remain open to deliver services, for example the setting up of the Food Distribution Hub at Aldersley Centre. The buildings to be used were checked to make sure they still safe for occupation and also the necessary building maintenance work was completed before they were opened.

In preparation for the reopening of buildings a range of work was done to allow people to do so safely and in compliance with guidance on social distancing. The Head of Assets detailed examples of new cleaning specifications in all buildings with a focus on key touch points areas in an office environment such as desks, keyboards and screens and the provision on hand sanitisers at main entrances.

In addition, work is also ongoing to identify buildings that potentially will not reopen in the future and discussions with health partners about reshaping the current property estate. This may involve changes in the location of services which can more directly benefit the communities across the city.

The panel were invited to comment and or ask questions about the presentation.

The panel queried if there was any unexpected learning or surprises since the start of the pandemic. The Head of Assets responded that she was surprised how quickly people responded positively to the challenge of having to work from home overnight, not only within her own service but also across the Council as a whole. The Head of Assets praised the response and highlighted the fact that services were able to continue to deliver services when people are working remotely with minimal impact to customers.

The Head of Assets added that the pandemic has opened up opportunities and led to new thinking about how the Civic Centre could be used differently in the future.

The panel discussed ideas for the future use of the Civic Centre and possibility of voluntary groups or businesses using spaces within the building. The panel commented on the need to recognise the importance of strategic assets, which need to be maintained and will contribute to future regeneration plans.

The panel expressed concern about any plans for the rapid disposal of Council assets in response to the economic impact of the pandemic but suggested that the policy could move from the position in the past where soft market testing of assets was done, to a situation in the future of moving much more quickly towards a negotiated sale.

The panel discussed the community asset transfer policy. The Head of City Assets explained the policy and process for checking that the organisation wanting to take over the management of an asset has the capacity to manage the building and also a plan to secure it, if it becomes empty at a future point.

The Head of City Assets added that the Council will work with people who are looking to buy land or property but will check that there is a plan to develop the site within a reasonable time scale, to avoid examples in the past where approved developments have not gone ahead as expected.

The panel queried the difficulty in finding out the owner of empty properties in the City. The Head of City Assets advised the panel that a tool has been developed to collate this information.

The panel query the loading limits which has prevented the use of the piazza space and requested further evidence to support the policy. The panel suggested the space would be ideas for mobile Covid 19 testing units. Head of City Assets agreed to investigate and report back to a future meeting.

The Cabinet Member for Resources advised the panel that the sale of Council assets has been part of the budget planning process for several years. The Cabinet Member added that the approach is to focus on the services needed by different communities in the city and how they can best deliver them from the portfolio of buildings.

The panel discussed the important symbolic role of the Civic Centre and the different ideas about how it might be used in the future and the range of factors that might influence the decision about how services might be delivered regardless of the impact of Covid 19.

The panel expressed concern about ideas for the future use of the building which may be based on employees continuing to remote working on a large scale and the unused space could then be made available to community or local businesses, given the significant level of investment in refurbishing the building.

The Cabinet Member for Resources commented on the need introduce changes to support employees to work remotely from home, but there was also an acceptance of employees who are finding it difficult to work from home and therefore there will remain a need to have a main central building that can be used to deliver services.

The Head of City Assets advised the panel of further work planned to the mezzanine and the registrar's office building in the future.

The Council will consider a business case from any organisation or public sector partner interested in using the space in the Civic Centre.

The Head of City Assets added that the Civic Centre is a very important building for the city.

Resolved:

The panel agreed to note the report.

Our Council Scrutiny Panel 2019 20 - Draft Work Programme

Julia Cleary, Scrutiny and Systems Manager, presented the draft work programme and explained the new approach agreed at Scrutiny Board meeting for all panels to consider the cross-cutting theme of 'Connected City' and digital considerations when developing ideas for the work programme.

The Scrutiny and Systems Manager outlined the list of suggested topics for future meetings of the panel based on discussions with the Chair and Vice Chair of the panel and commented on the rollout of 5G and other digital infrastructure enhancements.

The panel were invited to comment on the draft work programme and to suggest ideas, following the guidance, of topics that could be added.

Resolved:

The panel agreed to note the report.

10 **Treasury Management Activity Monitoring Report 2019-20 Quarter 3**

The Director of Finance introduced the report and briefed the panel about the key points in the document.

Resolved:

The panel agreed to note the report.

11 **Specific Reserves Working Group (9 January 2020) - Draft Minutes and update on actions**

The Director of Finance introduced the report and briefed the panel about the key points in the document. The Director of Finance commented on the importance of the work of group and the changes made to the reserves policy in response to recommendations made.

The panel queried if the minutes were still draft. The Scrutiny Officer advised the panel that the minutes are draft and will be presented the next meeting of the group to be formally approved.

Resolved:

The panel agreed to note the report.

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Scrutiny Work Programme (draft)
Our Council Scrutiny Panel
2020-2021

Theme – Connected City

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Scrutiny – A New Approach (Connected City)

1. A new approach to scrutiny was agreed at Scrutiny Board on 14 July 2020. Scrutiny Board agreed a cross cutting theme for all panels. The agreed theme was '**Connected City**'. Connectivity and digital considerations will be considered as part of all items added to the work programme.
2. **Roles and expectations** have been defined for the Chairs of Scrutiny Panels, Strategic Executive Board (SEB) leads and Scrutiny Officers; creating a collective understanding of scrutiny's role within the Council. These can be seen in Appendix A.
3. Effective **work planning and agenda setting** will take place to produce **jointly owned work plans**.
4. The first panel meetings will receive an update on the areas that fall within the scope of the panel. There will then be an introduction to the **connected city theme**. This will enable the Panel to consider items for the work programme in line with the '**Connected City**' scrutiny theme.
5. Regular briefings will be arranged with the Scrutiny Panel Chair, Vice Chair, SEB lead and scrutiny officer to enable a shared understanding of priorities and reviews of progress and recommendations.
6. **Improved communication**: 'You said we did' updates and publicity (including social media)
7. Creation of a **strong organisational culture** that supports scrutiny work that **adds real value** and **evidences impact**.
8. Outcomes and recommendations from all panels will then be fed back to Scrutiny Board to unify into one comprehensive report based on the connected city theme.

Work Programme considerations:

1. Is the issue in the public interest?
2. How does it link to the Connected City theme?
3. How can scrutiny add value by looking at it?
4. Where is the evidence to support looking at this issue?
5. Can we evidence impact?
6. Is there a change to National Policy?
7. Does it affect citizens across the City?
8. Are there performance concerns?
9. Is it a safety issue?

Our Council Scrutiny Panel

Chair: Cllr Bhupinder Gakhal	Vice Chair: Cllr Udey Singh	SEB Lead: Claire Nye	Scrutiny Lead: Earl Piggott-Smith
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Date of Meeting	Agenda Publication	Item Description	Lead Report Author	Council Plan Priority	Notes
30 September 2020	22 September 2020	<ul style="list-style-type: none"> • Our Council update presentation • Future Work planning • Our Assets Programme • Treasury Outturn Quarter One • Minutes from the Specific Reserves Working Group 9.1.20 (for information) 	SEB Lead(s) Scrutiny Lead/ SEB Lead/ Scrutiny Chair Julia Nock/ Mark Bassett Alison Shannon		

25 November 2020	17 November 2020	<ul style="list-style-type: none"> Budget Harnessing the power of digital for the future and agile working Treasury Management Activity Monitoring Report 2020-21 Quarter 1 (Information Report) Treasury Management Activity Monitoring – Mid Year Review 2020-2021 (Pages 41 - 50) 	<p>Claire Nye/ Alison Shannon</p> <p>Charlotte Johns</p>		
20 January 2021	12 January 2021	<ul style="list-style-type: none"> Treasury Management Strategy & Asset disposal Programme Our People & agile working Employee Offer (inc BAME representation) 	<p>Claire Nye/ Alison Shannon & Julia Nock</p> <p>David Pattison/Jin Takar/Laura Phillips</p>		
17 March 2021	9 March 2021	<ul style="list-style-type: none"> Portfolio Holder Statement and Question Time 	Portfolio Holders Cllrs Paula		

			Brookfield and Louise Miles		
Working Groups					
Specific Reserves Working Group	December/January 2021 (tbc)				
Cross Cutting Theme		Apprenticeships - requested by the Chair for consideration – also applicable to Stronger City Economy Scrutiny Panel and Children, Young People and Families Scrutiny Panel. Update on what has taken place to be provided in the first instance for information.			

Our Council Scrutiny Panel

The scrutiny of organisation and performance of the human, financial, technical and material resources to support the delivery of Council services.

Specific responsibilities

The Panel will have responsibility for scrutiny functions as they relate to:

- Strategic Finance
- Revenues and Benefits
- Procurement
- The Hub
- Audit
- Human Resources
- Organisational Development
- Democratic & Support Services
- Corporate Landlord
- ICT

General Role of the Scrutiny Board and Scrutiny Panels

Within the terms of reference set out in the Overview and Scrutiny Procedure Rules, the **Scrutiny Board** will:

1. Co-ordinate the work of the Scrutiny Panels and Scrutiny Review Groups.
2. Receive annual reports from the Councillor Champion and give consideration to the work undertaken and issues that the Councillor Champion wishes scrutiny to consider investigating further.
3. Maintain regular dialogue with the Cabinet on service improvement, performance management of cross-cutting issues, policy development and budgetary provision.
4. Oversee and ensure access to appropriate learning and development for scrutiny Councillors.
5. Discharge the call-in procedures relevant to its overarching role.

The Scrutiny Panels will:

1. Maintain regular dialogue with the Cabinet, Scrutiny Board and Councillor Champions.
2. Ensure that members of the public and stakeholders are informed of and involved in issues within the remit of each Panel.
3. Discharge the call-in procedure relevant to their terms of reference.

Appendix A:

1. Chair of Scrutiny Panel:

- To attend fortnightly meetings with the SEB lead and Scrutiny Officer
- To attend agenda setting meetings and other relevant briefings on a regular basis
- To contribute to the work planning for the panel and to bring forward relevant topics and issues for inclusion
- To chair meetings in a fair and open way and to encourage participation from panel members
- To attend Scrutiny Board (where appropriate) to provide feedback and updates on progress
- To prepare, when possible, questions in advance of a meeting to allow for healthy debate and to ensure that clear resolutions are made that add value and show impact
- To act as champion for scrutiny and to represent the best interests of the citizens of Wolverhampton

2. SEB Lead:

- Meet with the Chair, the Vice Chair and the Scrutiny Officer fortnightly to discuss upcoming issues, updates from previous meetings, workplans and any other relevant business as agreed by all parties.
- Recommend topics for inclusion on the workplan, working proactively with the Chair, Vice Chair and Scrutiny Officer to address any issues/opportunities/challenges that fit with the remit of the panel.
- To advise on the viability of any issues put forward by the panel for inclusion on the work plan.
- To attend relevant Scrutiny Panel meetings and provide an update at each meeting on any relevant issues within the remit of the panel. Also, attending Scrutiny Board (as appropriate) to provide feedback.
- To act as a champion for scrutiny in the Council and to encourage engagement with the scrutiny function and promote a healthy culture within which scrutiny can thrive

3. Scrutiny Officer:

- Provide support and guidance to the panel, its members, officers, partners and other stakeholders regarding the scrutiny function
- To ensure openness and transparency in the scrutiny function and to make sure that information is continuously shared and communicated between all relevant parties in a timely and suitable fashion
- To ensure that the appropriate persons are invited to meetings and that they are given adequate time to prepare and to provide guidance and support where appropriate
- To manage the administration of all relevant panels and meetings within statutory timescales
- To carry out research and information gathering exercises when required
- To provide advice on policy and legislation where appropriate
- To ensure that all resolutions are followed up and responses or actions fed back, monitored and recorded
- To act as liaison between the Chair and the SEB lead to ensure a shared understanding of priorities and work planning.
- To manage the agreed work plan and its outcomes to show impact and added value



Our Council Scrutiny Panel

25 November 2020

Report title	Treasury Management – Annual Report 2019-2020 and Activity Monitoring Quarter One 2020-2021	
Cabinet member with lead responsibility	Councillor Louise Miles Resources	
Wards affected	All	
Accountable director	Tim Johnson, Chief Executive	
Originating service	Strategic Finance	
Accountable employee(s)	Claire Nye Tel Email	Director of Finance 01902 550478 Claire.Nye@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board Cabinet Council	26 June 2020 8 July 2020 17 July 2020

Recommendations for noting:

Members of the Our Council Scrutiny Panel are asked to note the contents of the report.

1.0 Purpose

- 1.1 To bring to the Panel's attention, information about the Council's treasury management activity that has been reported to Cabinet on 8 July 2020.

2.0 Background

- 2.1 The treasury management activities of the Council are underpinned by The Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management Code of Practice. The Code requires a nominated body be responsible for ensuring effective scrutiny of the Council's treasury management strategy and policies, the Our Council Scrutiny Panel fulfils this role.
- 2.2 On 8 July 2020 Cabinet received the report 'Treasury Management – Annual Report 2019-2020 and Activity Monitoring Quarter One 2020-2021'. This report can be found in Appendix A.
- 2.3 The Scrutiny Panel are asked to note the activity outlined in this report.

3.0 Financial implications

- 3.1 The financial implications are detailed in the Cabinet report of 8 July 2020. [SH/04092020/R]

4.0 Legal implications

- 4.1 The legal implications are detailed in the Cabinet report of 8 July 2020. [TS/04092020/Q]

5.0 Equalities implications

- 5.1 The equalities implications are detailed in the Cabinet report of 8 July 2020.

6.0 Climate change and environmental implications

- 6.1 The climate change and environmental implications are detailed in the Cabinet report of 8 July 2020.

7.0 Health and Wellbeing Implications

- 7.1 The health and wellbeing implications are detailed in the Cabinet report of 8 July 2020.

8.0 Human resources implications

- 8.1 The human resources implications are detailed in the Cabinet report of 8 July 2020.

9.0 Corporate landlord implications

9.1 The Corporate Landlord implications are detailed in the Cabinet report of 8 July 2020.

10.0 Covid Implications

10.1 The Covid implications are detailed in the Cabinet report of 8 July 2020.

11.0 Schedule of background papers

11.1 Treasury Management – Annual Report 2019-2020 and Activity Monitoring Quarter One 2020-2021, report to Cabinet, 8 July 2020

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CITY OF WOLVERHAMPTON COUNCIL	Cabinet 8 July 2020
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Report title	Treasury Management – Annual Report 2019-2020 and Activity Monitoring Quarter One 2020-2021	
Decision designation	RED	
Cabinet member with lead responsibility	Councillor Louise Miles Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Tim Johnson, Chief Executive	
Originating service	Strategic Finance	
Accountable employee	Claire Nye Tel Email	Director of Finance 01902 550478 Claire.nye@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board Council Our Council Scrutiny Panel	26 June 2020

Recommendations for decision:

That Cabinet recommend that Council:

1. Delegates authority to the Director of Finance to lower the minimum sovereign rating in the Annual Investment Strategy, in the event of the UK's credit rating being downgraded by the two credit rating agencies, due to the unprecedented impact of Covid-19 on the economy.

That Cabinet recommend that Council is asked to note:

1. The Council operated within the approved Prudential and Treasury Management Indicators, and also within the requirements set out in the Council's approved Treasury Management Policy Statement during 2019-2020.

2. That revenue underspends of £440,000 for the General Revenue Account and £273,000 for the Housing Revenue Account (HRA) were generated from treasury management activities in 2019-2020.
3. That revenue underspends of £1.5 million for the General Revenue Account and £434,000 for the HRA are forecast from treasury management activities in 2020-2021.
4. That due to receipt of grants from Central Government in response to Covid-19 the Council temporarily exceeded the limit of £10.0 million to be held in the Council's bank account. The temporary increase of the limit to £32.7 million was approved by the Director of Finance under the authority delegated by Council and was in place for the period 1 April 2020 to 9 April 2020.

1.0 Purpose

- 1.1 This report sets out the results of treasury management activities carried out in 2019-2020, together with performance against the Prudential Indicators previously approved by Council. It also provides a monitoring and progress report on treasury management activity for the first quarter of 2020-2021, in line with the Prudential Indicators approved by Council in March 2020.

2.0 Background

- 2.1 The treasury management activities of the Council are underpinned by The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management. For further information on the requirements of the Code please refer to the Treasury Management Strategy 2020-2021 report which can be accessed online on the Council's website by following the link:

<https://wolverhampton.moderngov.co.uk/ieListDocuments.aspx?CId=130&MId=11872&Ver=4>

- 2.2 Treasury management is defined as:

"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

- 2.3 The system of controls on local authority capital investment is based largely on self-regulation by local authorities themselves. At its heart is CIPFA's Prudential Code for Capital Finance.
- 2.4 Cabinet / Cabinet (Resources) Panel received quarterly reports during 2019-2020 to monitor performance against the strategy and Prudential Indicators previously approved by Council.
- 2.5 The Council continued to use Link Asset Services as treasury management advisors throughout 2019-2020 and 2020-2021 to date. Link provides market data and intelligence on which the Council can make decisions regarding all aspects of treasury management activities and, in particular, managing the risks associated with investing surplus cash.

3.0 The strategy and outturn for 2019-2020

- 3.1 The strategy for 2019-2020 was to maintain cash balances at a reduced level, therefore, keeping to a minimum the credit risk incurred by holding investments and to avoid the higher costs of external borrowing compared to interest foregone on cash balances, thereby generating revenue savings.

- 3.2 During 2019-2020, the Council followed the recommendations as set out in the Treasury Management Strategy 2019-2020.
- 3.3 The Treasury Management outturn for 2019-2020 compared to budget is shown in Table 1.

Table 1 – Treasury management budget and outturn 2019-2020

	Approved Budget £000	Outturn £000	Variance £000
General Revenue Account	33,683	33,243	(440)
Housing Revenue Account	9,868	9,595	(273)
Total	43,551	42,838	(713)

- 3.4 Overall, there were revenue underspends of £440,000 for the General Revenue Account and £273,000 for the HRA for 2019-2020. For the General Revenue Account, the main reasons are as previously reported; a reduced borrowing need in year arising as a result of re-phasing of the capital programme offset against an increase in Minimum Revenue Provision (MRP) charges and loss of income for interest charged on loans to others. The MRP has increased due to the amount of borrowing applied in 2018-2019 against short life assets compared to the forecast. The loss of interest income is due to the revised timing of loan requests from WV Living.
- 3.5 In order to ensure that the revenue implications of the capital programme do not impact adversely on the revenue budget the Council utilises a Treasury Management Equalisation Reserve (TMER). This specific reserve can be called on as and when required to support the revenue costs associated with re-phasing in the capital programme. In 2019-2020, it is proposed to contribute £183,000 from the Highway Management Reserve to accommodate revenue costs of Highways Maintenance capital expenditure on Craddock Street Subway and Demolition of Faulkland Street Shelter into the TMER. In addition, following a review of all reserve balances, it is proposed to make a contribution from the TMER of £1.0 million to the Recovery Reserve. The current balance remaining on the TMER after these proposals is £2.2 million. The proposed adjustments are contained in the 'Reserves, Provisions and Balances 2019-2020' report also on the agenda for approval at this meeting.
- 3.6 No institutions in which investments were made had any difficulty in repaying investments or interest in full during the year and no arrangements had to be made to prematurely withdraw funds from any investments as a result of a downgrade in their respective credit rating. There was also no debt rescheduled in 2019-2020.
- 3.7 Table 2 shows the average rate of interest payable and receivable in 2018-2019 and 2019-2020.

Table 2 – Average interest rate payable and receivable in 2018-2019 and 2019-2020

	2018-2019 Actual	2019-2020 Actual
Average Interest Rate Payable	3.75%	3.74%
Average Interest Rate Receivable	0.65%	0.70%

Borrowing outturn for 2019-2020

- 3.8 The average debt interest rate decreased marginally from 3.75% in 2018-2019 to 3.74% in 2019-2020. The Council undertakes borrowing only when necessary to maintain sufficient cash flow balances and after monitoring the market to take advantage of the best available rates. A summary of the borrowing and repayment activities is shown below with the average interest rates; this activity has resulted in a slightly lower overall average rate for the year.

Table 3 – Summary of borrowing and repayment activities

	PWLB Loans £000	Average Rate %	Temporary Loans £000	Average Rate %	Total Loans £000
New Loans Raised	-	-	-	-	-
Repayment of Loans	-	-	(8,000)	0.80%	(8,000)
Net movement	-		(8,000)		(8,000)

- 3.9 The Council's need to borrow and the rates available continue to be monitored in order to achieve optimum results. The Council's medium term forecast is regularly updated to reflect actual borrowing that takes place along with any revisions to future anticipated borrowing.
- 3.10 The Council's Capital Financing Requirement (CFR) increased from £893.4 million to £926.2 million throughout 2019-2020. This reflects a net increase in the Council's underlying need to borrow for capital purposes. This was split between the General Revenue Account and Housing Revenue Account at a rate of 72.0% and 28.0% respectively (2018-2019: 71.8% and 28.2%).
- 3.11 Table 4 shows how the decrease in actual external borrowing arose during the year.

Table 4 – Decrease in actual external borrowing 2019-2020

	£000
Opening balance at 1 April 2019	740,947
Less: Repayments	
- Temporary loans	(8,000)
Total repayments	(8,000)
Net borrowing 2019-2020	(8,000)
Closing balance at 31 March 2020	732,947

- 3.12 Appendix 1 shows a summary of this position along with a detailed breakdown of repayments made throughout the year. No new loans were taken out during 2019-2020.

Investment outturn for 2019-2020

- 3.13 The actual interest rate earned from investments increased from 0.65% in 2018-2019 to 0.70% in 2019-2020. This is due to improved interest rates available on the Council's Money Market Funds.
- 3.14 The approach during the year was to continue to use cash balances to finance capital expenditure to keep cash balances low. This minimised counterparty risk on investments and also mitigated treasury management costs as investment rates were much lower than most new borrowing rates.
- 3.15 The Council manages its investments in-house and invests only in the institutions listed in the Council's approved lending list, which is reviewed each time a counterparty is subject to a credit rating amendment. The Council's strategy allows for investments for a range of periods from overnight to five years, depending on the Council's cash flows, its interest rate view and the interest rates on offer. However, in order to maintain sufficient liquidity whilst total investment levels are relatively low, most investments have been placed for shorter durations.

4.0 2020-2021 forecast

- 4.1 The Treasury Management budget for 2020-2021 of £37.0 million was approved by Council on 4 March 2020. On 30 April 2020 a virement of £210,000 from this budget to Fleet Services was approved, under special urgency provisions, to cover the leasing costs for the hire and maintenance of winter service vehicles rather than purchasing them from the capital budget. The budget for Treasury Management therefore stands at £36.8 million.
- 4.2 It should be noted that in order to provide a timely report, only investment activities up to and including 31 May 2020 have been included. Borrowing activities include the month of June. The forecast outturn for treasury management activities in 2020-2021 compared to budget is shown in Table 5.

Table 5 – Treasury management budget and forecast outturn 2020-2021

	Approved Budget £000	Forecast Outturn £000	Variance at Quarter one £000
General Revenue Account	36,835	35,349	(1,486)
Housing Revenue Account	10,923	10,489	(434)
Total	47,758	45,838	(1,920)

- 4.3 Overall, underspends of £1.5 million for the General Revenue Account and £434,000 for the HRA are projected for the year 2020-2021.
- 4.4 The main reasons for the underspend for the General Revenue Account are a reduced borrowing need in year arising as a result of re-phasing of the capital programme and lower interest rates forecast on borrowing due to the impact on the economy of Covid-19. This is offset by a reduction in treasury income receivable. Due to the uncertain economic climate due to Covid-19, it is likely that the outturn forecast will be subject to change during the financial year.
- 4.5 The forecast underspend will be considered more fully and in context of the whole general fund budget in the 2020-2021 Quarter One Budget Monitoring Report to Cabinet on 29 July.
- 4.6 Appendix 2 shows a comparison of the latest estimates of Prudential and Treasury Management Indicators over the medium term period with the equivalent figures which were approved by Council in March 2020.

Borrowing forecast for 2020-2021

- 4.7 Table 6 shows the average rate of interest payable in 2019-2020 and forecast for 2020-2021.

Table 6 – Average interest rate payable in 2019-2020 and 2020-2021

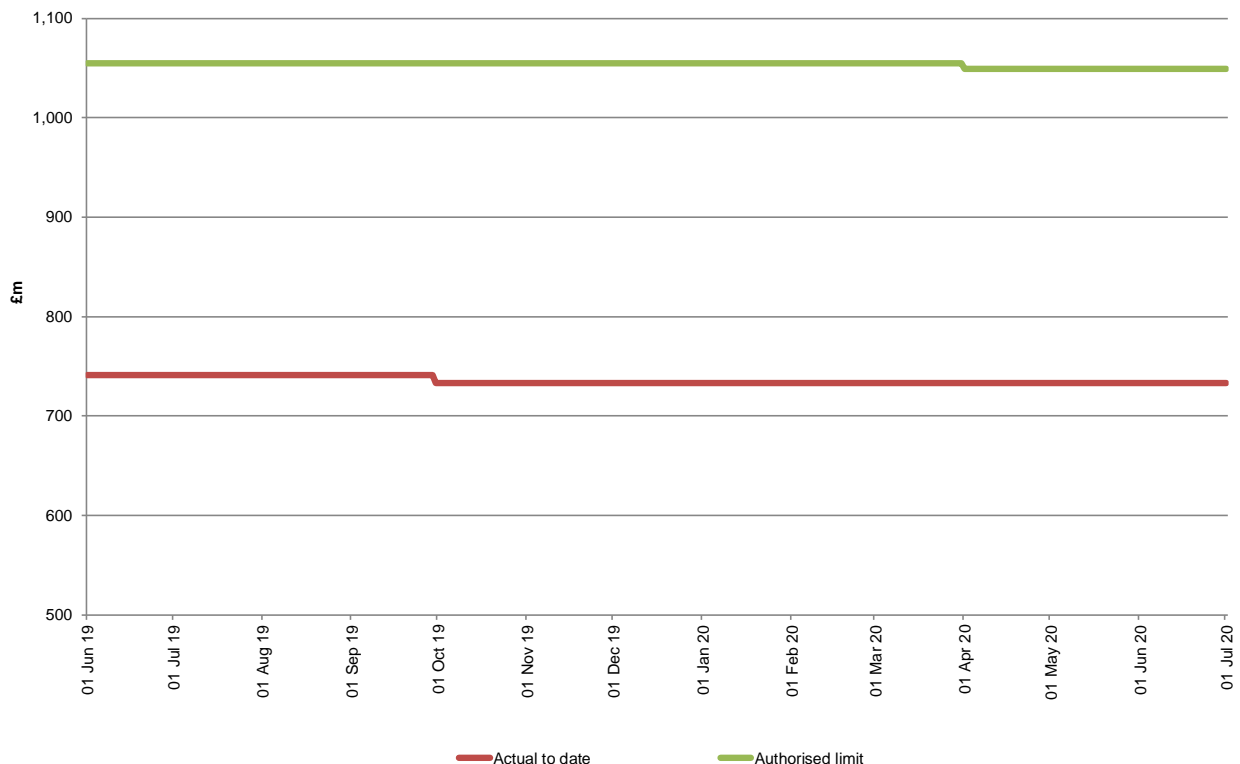
	2019-2020 Actual	2020-2021 Forecast
Average Interest Rate Payable	3.74%	3.69%

- 4.8 The average rate of interest payable by the Council is estimated to be slightly decreased from 3.74% to 3.69% for 2020-2021.
- 4.9 Each year it is necessary to raise new loans to finance capital expenditure and to replace existing maturing borrowing. The Council's policy is to prioritise the use of capital receipts to finance capital expenditure. Balances which are set aside to meet credit liabilities (i.e. to repay borrowing) are used to reduce the external borrowing requirement. Decisions to take borrowing will be made by the Director of Finance when it is judged that

rates are likely to be at their lowest levels, and probably about to rise according to market indications, and only when an inflow of funds is required to meet imminent cash flow commitments. This will keep overall surplus cash balances to a minimum, in line with the current strategy. Appendix 3 shows the maturity profile of external borrowing.

- 4.10 As always, the Council needs to be mindful that the opportunity to secure short term efficiencies by postponing longer term borrowing requirements takes into account the risk of long term rates increasing in the future. The Director of Finance will continue to keep actual and forecast rates under close review.
- 4.11 The Council's borrowing profile continues to operate within the overall limits previously approved by Council, as shown in Chart 1.

Chart 1 – Comparison of borrowing within approved borrowing limits over the previous 12 months



- 4.12 The level of borrowing at 30 June 2020 is £732.9 million, appendix 1 shows a summary of this position. During quarter one no new loans or repayments have occurred, £12.5 million of existing borrowing is due to be repaid between quarters two to four.
- 4.13 In March 2020, Council approved a net borrowing requirement for 2020-2021 of £154.7 million. The forecast net borrowing requirement for 2020-2021 is £133.1 million, as shown in appendix 4. This appendix also shows the details for the disclosure for certainty rate, which enables the Council to access discounted borrowing at 0.20% below normal PWLB rates.

Investment forecast for 2020-2021

- 4.14 The approach during the year is to continue to use cash balances to finance capital expenditure so as to keep cash balances low.
- 4.15 Table 7 shows the total amount of surplus funds invested as at 31 March 2020 and in order to provide a timely report, 31 May 2020.

Table 7 – Total amounts invested 2020-2021

	31 March 2020 £000	31 May 2020 £000
Business Reserve Accounts	2,057	339
Money Market Funds	28,305	21,405
	30,362	21,744
Average cash balance for the year to date	32,746	47,136

- 4.16 Money Market Funds and Business Reserve Accounts are the main investments used as these have high credit ratings and instant access.
- 4.17 The Council's cash flow balance for the first quarter of the current financial year has moved between a low of £10.5 million and a maximum of £91.0 million; largely due to the receipt of Central Government grants linked to Government directives during the Covid-19 pandemic. The average cash balance for the quarter being £47.1 million.
- 4.18 Table 8 shows the budgeted average rate of interest receivable in 2020-2021 and the forecast for the year.

Table 8 – Average interest rate receivable in 2020-2021

	2020-2021 Budget	2020-2021 Forecast
Average Interest Rate Receivable	0.70%	0.30%

- 4.19 At the time the budget was set a prudent percentage was used for budgeting purposes, however, since the Covid-19 pandemic the interest rates available for investments has decreased significantly. As can be seen, a lower rate is forecast based on rates achieved up to 31 May 2020. The impact of this reduction will be monitored throughout the year, however, this loss of income will be offset against the savings generated by avoiding the cost of borrowing, due to re-phasing in the capital programme and lower borrowing interest rates.

- 4.20 On 30 March 2020 Fitch (one of the three credit rating agencies) downgraded the UK's sovereign rating from AA to AA- due to the unprecedented impact of the Covid-19 pandemic on the economy. The Council's Annual Investment Strategy sets the minimum sovereign rating of AA with regard to the Council's investment lending list. As the two other credit rating agencies (Moody's and Standard & Poors) kept their UK sovereign rating equivalent to AA the Annual Investment Strategy hasn't required amendment. If they did also downgrade the UK's sovereign rating, the Council's bank account provider, National Westminster Bank plc, would no longer meet the current approved minimum sovereign rating. Therefore, to ensure that National Westminster Bank plc remains on the lending list, in the event that the UK sovereign rating is downgraded by Moody's and Standard & Poors, delegation is being sought to enable the minimum sovereign rating to be lowered by the Director of Finance in a timely manner.
- 4.21 The approved Treasury Management Code of Practice sets out the criteria to be used for creating and managing approved counterparty lists and limits. As a result of any changes to credit criteria, the Director of Finance is authorised to make changes to the list of approved counterparties. In the event that any of these counterparties fall below the Council's minimum lending criteria, activity in that account will temporarily cease and any balance withdrawn immediately. Appendix 5 shows the Council's current specified investments lending list.
- 4.22 In quarter one 2020-2021, due to receipt of grants from Central Government in response to Covid-19 the Council temporarily exceeded the limit of £10.0 million to be held in the Council's bank account, the Business Reserve Account. The temporary increase of the limit to £32.7 million was approved by the Director of Finance under the authority delegated by Council and was in place during the period 1 April 2020 to 9 April 2020. This temporary increase was required as all the available Money Market Funds had reached their limits and during this time the balance moved between £18.1 million to £32.7 million.

5.0 Evaluation of alternative options

- 5.1 As this is a monitoring report of treasury management activities undertaken in line with the approved Treasury Management Strategy for 2019-2020 and 2020-2021, there are no alternative options available.

6.0 Reasons for decisions

- 6.1 This report provides an update on treasury management activities undertaken in line with the approved Treasury Management Strategy for 2019-2020 and 2020-2021.

7.0 Financial implications

- 7.1 The financial implications are discussed in the body of this report.
[SH/26062020/Q]

8.0 Legal implications

- 8.1 The Council's treasury management activity must be carried out in accordance with the requirements of the Local Government Act 2003. In addition the Local Government and Housing Act 1989 sets out requirements for local authorities in respect of capital controls, borrowing and credit arrangements. The Council is also required to comply with the Local Authority (Capital Finance and Accounting) (England) (Amendment) Regulations 2008.
- 8.2 Treasury management relates to the management of the Council's cash flow, borrowing and cash investments. This involves seeking the best rates of interest for borrowing, earning interest on investments, whilst managing risk in making financial decisions and adopting proper accounting practice.
- 8.3 The area is heavily regulated. The Local Government and Housing Act 1989 regulates the operation of the Housing Revenue Account. The 'CIPFA Code of Practice for Treasury Management in the Public Services', contains treasury management indicators and advice on treasury management strategy. Investment strategy is regulated by 'MHCLG Guidance on Local Government Investments' issued initially in 2004 and reissued in 2010 and 2018. Part 2 of this Guidance is statutory guidance.
[TS/26062020/R]

9.0 Equalities implications

- 9.1 There are no equalities implications arising from this report.

10.0 Climate change and environmental implications

- 10.1 There are no climate change and environmental implications arising from this report.

11.0 Human resources implications

- 11.1 There are no human resources implications arising from this report.

12.0 Corporate landlord implications

- 12.1 There are no corporate landlord implications arising from this report.

13.0 Health and Wellbeing Implications

- 13.1 There are no health and wellbeing implications arising from this report.

14.0 Covid Implications

- 14.1 Due to Covid-19 there has been re-phasing of the capital programme which reduces the borrowing need in year. Furthermore, the additional grant funding provided by Central Government along with the payment of some grants being re-phased and paid earlier has

resulted in extra cash than normal being held in the Council's bank and investment accounts. This has resulted in the Director of Finance authorising a temporary increase to the limit on the Council's bank account. However, off set against this is the additional expenditure pressure being incurred by the Council impacting on the Council's cashflow balances, which may require borrowing to be undertaken sooner than planned to temporarily fund revenue costs.

- 14.2 In addition, Covid-19 has impacted on the economy resulting in lower interest rates being available for investments and may affect the UK's sovereign rating. So far only one of the three rating agencies has reduced the UK's rating, if the remaining two agencies follow suit the Council's minimum sovereign rating will need to be lowered to allow the Council's bank to remain on the lending list. The impact on the treasury management budget of the reduced interest rates available for the Council's investments will be closely monitored.

15.0 Schedule of background papers

- 15.1 [Treasury Management Strategy 2019-2020](#), Report to Cabinet, 20 February 2019
- 15.2 [Treasury Management – Annual Report 2018-2019 and Activity Monitoring Quarter One 2019-2020](#), Report to Cabinet, 10 July 2019
- 15.3 [Treasury Management Activity Monitoring – Mid Year Review 2019-2020](#), Report to Cabinet, 13 November 2019
- 15.4 [Treasury Management Strategy 2020-2021](#), Report to Cabinet, 19 February 2020
- 15.5 [Treasury Management Activity Monitoring Quarter Three 2019-2020](#), Report to Cabinet (Resources) Panel, 3 March 2020
- 15.6 Procurement – Award of Contracts for Works, Goods and Services, Report under special urgency provisions, 30 April 2020
- 15.7 [Reserves, Provisions and Balances 2019-2020](#), Report to Cabinet, 8 July 2020

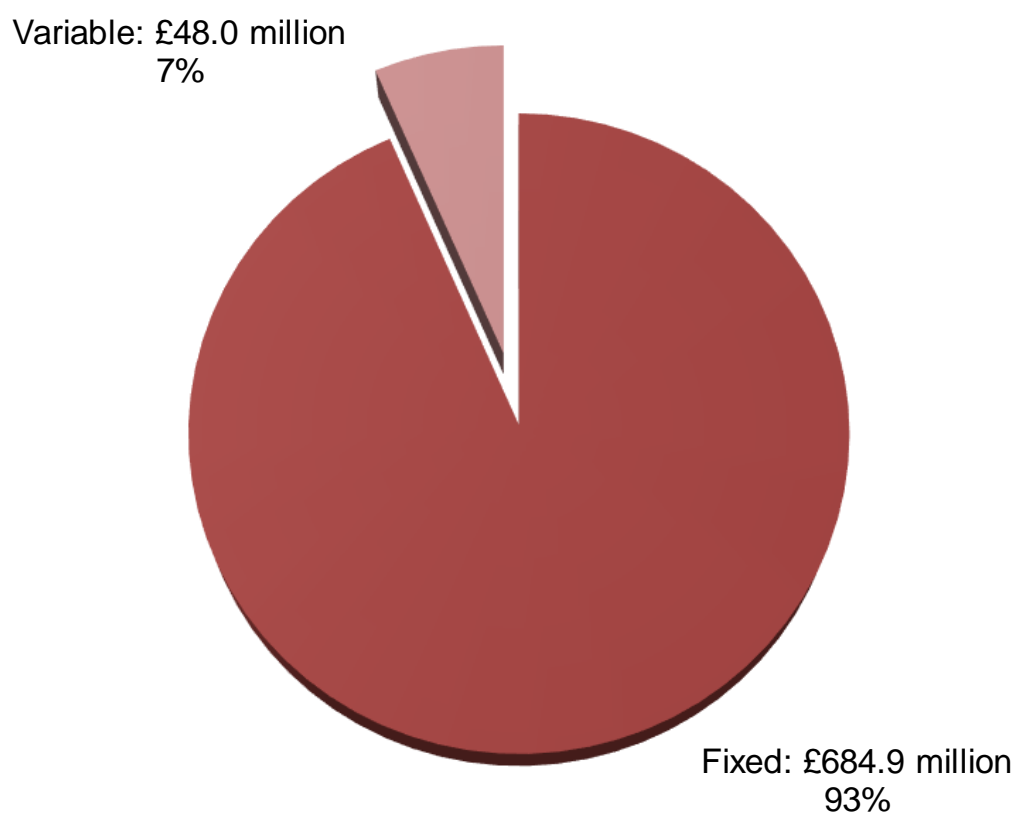
16.0 Appendices

- 16.1 Appendix 1 – Borrow type, borrowing and repayments
- 16.2 Appendix 2 – Prudential and Treasury Management Indicators
- 16.3 Appendix 3 – Borrowing maturity profile
- 16.4 Appendix 4 – Disclosure for certainty rate
- 16.5 Appendix 5 – Lending list

Borrowing: Graphical Summary

Borrowing by Type

As at 31 March 2020



Borrowing and Repayments in 2019-2020

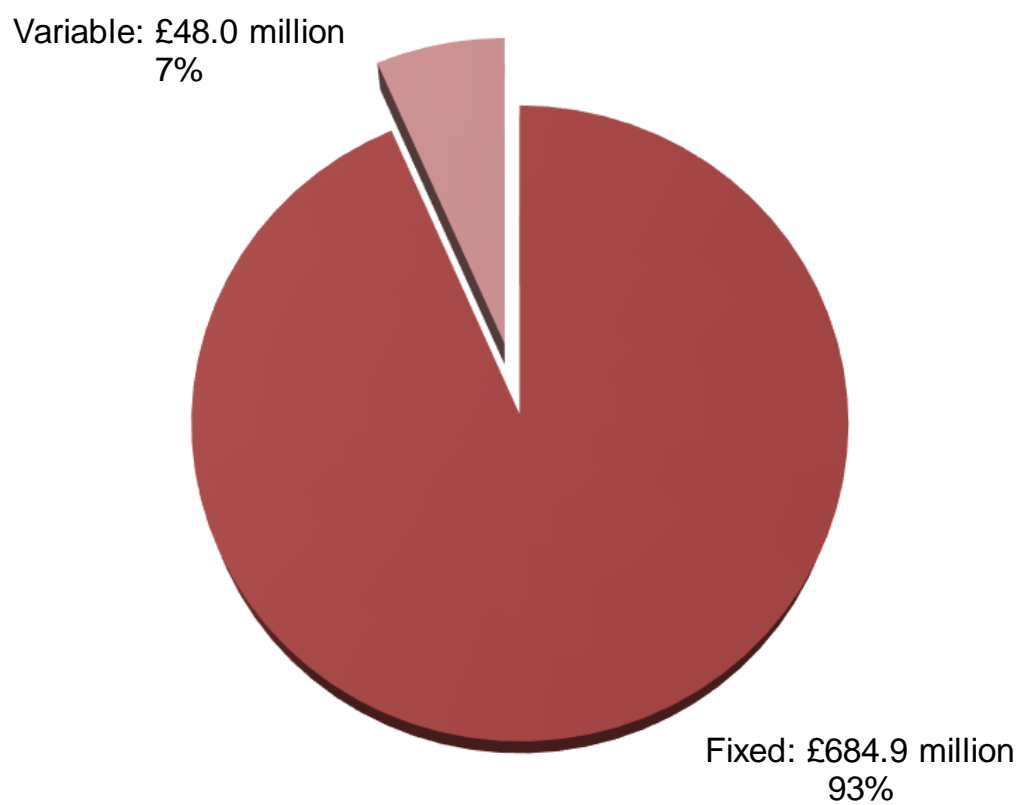
	Start Date	Maturity Date	Amount £000	Length	Interest Rate	Full Year Interest £000
2019-2020 Borrowing						
PWLB Fixed Maturity:						
No activity in 2019-2020						
Sub total for PWLB			-			-
Temporary Loans:						
No activity in 2019-2020						
Sub total for Temporary Loans			-			-
Grand total borrowing			-			-

	Start Date	Maturity Date	Amount £000	Length	Interest Rate	Full Year Interest £000
2019-2020 Repayments						
PWLB Fixed Maturity:						
No activity in 2019-2020						
Sub total for PWLB			-			-
Temporary Loans:				years		
London Borough of Wandsworth	28/09/2017	30/09/2019	8,000	2	0.80%	64
Sub total for Temporary Loans			8,000		0.80%	64
Grand total repayments			8,000			64
Net movement			(8,000)			(64)

Borrowing: Graphical Summary

Borrowing by Type

As at 30 June 2020



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Prudential Indicators (PI) required by The Prudential Code

PI for Prudence - Ensuring that external debt is sustainable and compliance with good professional practice are essential features of prudence.

PI 1 - Estimates and actual capital expenditure.

Full details of capital expenditure plans and funding can be found in the outturn 2019-2020 quarter one capital budget monitoring 2020-2021 report.

	Approved by Council 4 March 2020				As at 30 June 2020			
	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000	2019-2020 Actual £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000
General *	111,998	168,620	56,009	15,474	98,083	180,683	65,307	15,474
HRA	63,596	79,708	82,828	83,790	58,355	72,194	85,422	85,540
	175,594	248,328	138,837	99,264	156,438	252,877	150,729	101,014
* Commercial activities / non-financial investments included in General figure. These relate to areas such as capital expenditure on investment properties and loans to third parties etc.	25,662	27,257	10,000	10,000	26,560	21,357	10,000	10,000

PI 2 - Estimates and actual capital financing requirement General Fund and HRA.

The capital financing requirement measures the authority's underlying need to borrow for a capital purpose.

	Approved by Council 4 March 2020				As at 30 June 2020			
	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000	2019-2020 Actual £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000
General *	679,931	740,334	730,838	710,618	666,537	734,520	742,304	720,923
HRA	263,734	297,250	335,264	376,117	259,635	287,862	328,277	369,573
Total capital financing requirement	943,665	1,037,584	1,066,102	1,086,735	926,172	1,022,382	1,070,581	1,090,496
* Commercial activities / non-financial investments included in General figure. These relate to areas such as capital expenditure on investment properties and loans to third parties etc.	18,712	26,399	15,078	14,670	16,374	16,785	10,499	8,843
Movement in capital financing requirement represented by:								
New borrowing for capital expenditure	91,720	127,037	65,759	63,075	73,060	128,592	86,971	63,391
Less minimum revenue provision/voluntary minimum revenue provision	(41,441)	(33,118)	(37,241)	(42,442)	(40,274)	(32,382)	(38,772)	(43,476)
Movement in capital financing requirement	50,279	93,919	28,518	20,633	32,786	96,210	48,199	19,915

PI 3 - Authorised limit for external debt.

These limits apply to the total external debt gross of investments and separately identify borrowing from other long term liabilities such as finance leases including Private Finance Initiatives (PFI).

	Approved by Council 4 March 2020			
	2019-2020 Limit £000	2020-2021 Limit £000	2021-2022 Limit £000	2022-2023 Limit £000
Borrowing	1,054,931	1,049,311	1,100,137	1,162,140
Other Long Term Liabilities	86,553	87,249	84,637	81,939
Total Authorised Limit *	1,141,484	1,136,560	1,184,774	1,244,079
Actual and Forecast External Debt as at 30 June 2020	819,462	935,749	986,025	1,005,940
Variance (Under) / Over Authorised limit	(322,022)	(200,811)	(198,749)	(238,139)
* Commercial activities / non-financial investments included within this figure.	41,560	38,291	37,964	37,964

PI 4 - Operational boundary for external debt.

This is based on the same estimates as the authorised limit but directly reflects the Director of Finance's estimate of the most likely, prudent but not worst case scenario, without the additional headroom included.

	Approved by Council 4 March 2020			
	2019-2020 Limit £000	2020-2021 Limit £000	2021-2022 Limit £000	2022-2023 Limit £000
Borrowing	1,013,398	1,018,328	1,083,775	1,146,467
Other Long Term Liabilities	86,545	85,247	82,635	79,937
Total Operational Boundary Limit *	1,099,943	1,103,575	1,166,410	1,226,404
Actual and Forecast External Debt as at 30 June 2020	819,462	935,749	986,025	1,005,940
Variance (Under) / Over Operational Boundary Limit	(280,481)	(167,826)	(180,385)	(220,464)
* Commercial activities / non-financial investments included within this figure.	36,657	37,964	37,964	37,964

Prudential Indicators (PI) required by The Prudential Code

PI 5 - Gross debt and the capital financing requirement.

"In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years".

	Approved by Council 4 March 2020				As at 30 June 2020			
	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000	2019-2020 Actual £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000
Forecast Capital Financing Requirement at end of Second Year	1,066,104	1,086,737	1,102,383	1,102,383	1,070,582	1,090,496	1,106,654	1,106,654
Gross Debt	896,876	1,032,794	1,063,389	1,084,023	819,462	935,749	986,025	1,005,940
Capital Financing Requirement Greater than Gross Debt	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

PI for Affordability - These indicators are used to ensure the total capital investment of the Council is within a sustainable limit and the impact of these decisions are considered with regard to acceptable council tax and housing rent levels.

PI 6 - Estimates and actual ratio of financing costs to net revenue stream.

This represents the cost of financing capital expenditure as a % of net revenue for both the General Fund and HRA.

	Approved by Council 4 March 2020				As at 30 June 2020			
	2019-2020 Forecast	2020-2021 Forecast	2021-2022 Forecast	2022-2023 Forecast	2019-2020 Actual	2020-2021 Forecast	2021-2022 Forecast	2022-2023 Forecast
General *	14.2%	14.9%	18.1%	17.9%	14.2%	14.3%	16.5%	16.9%
HRA	28.8%	30.3%	30.9%	31.8%	29.2%	30.0%	30.0%	30.8%
* Commercial activities / non-financial investments included in General figure. These relate to areas such as capital expenditure on investment properties and loans to third parties etc.	0.7%	0.9%	0.9%	0.8%	0.7%	0.9%	1.1%	1.2%

Treasury Management Indicators (TMI) required by The Treasury Management Code

TMI 1 - Upper limits to the total of principal sums invested over 365 days.

This details the maximum amount which can be invested for up to 5 years (as per paragraph 1.5 of the Annual Investment Strategy). It has been determined that a maximum of 50% of total investments with a cap of £35.0 million could be prudently committed to long term investments should the Director of Finance decide it is appropriate to.

	Approved by Council 4 March 2020			
	2019-2020 Limit £000	2020-2021 Limit £000	2021-2022 Limit £000	2022-2023 Limit £000
Upper limit for more than 365 days	35,000	35,000	35,000	35,000
Actual and Forecast Invested at 30 June 2020	-	-	-	-
Variance (Under) / Over Limit	(35,000)	(35,000)	(35,000)	(35,000)

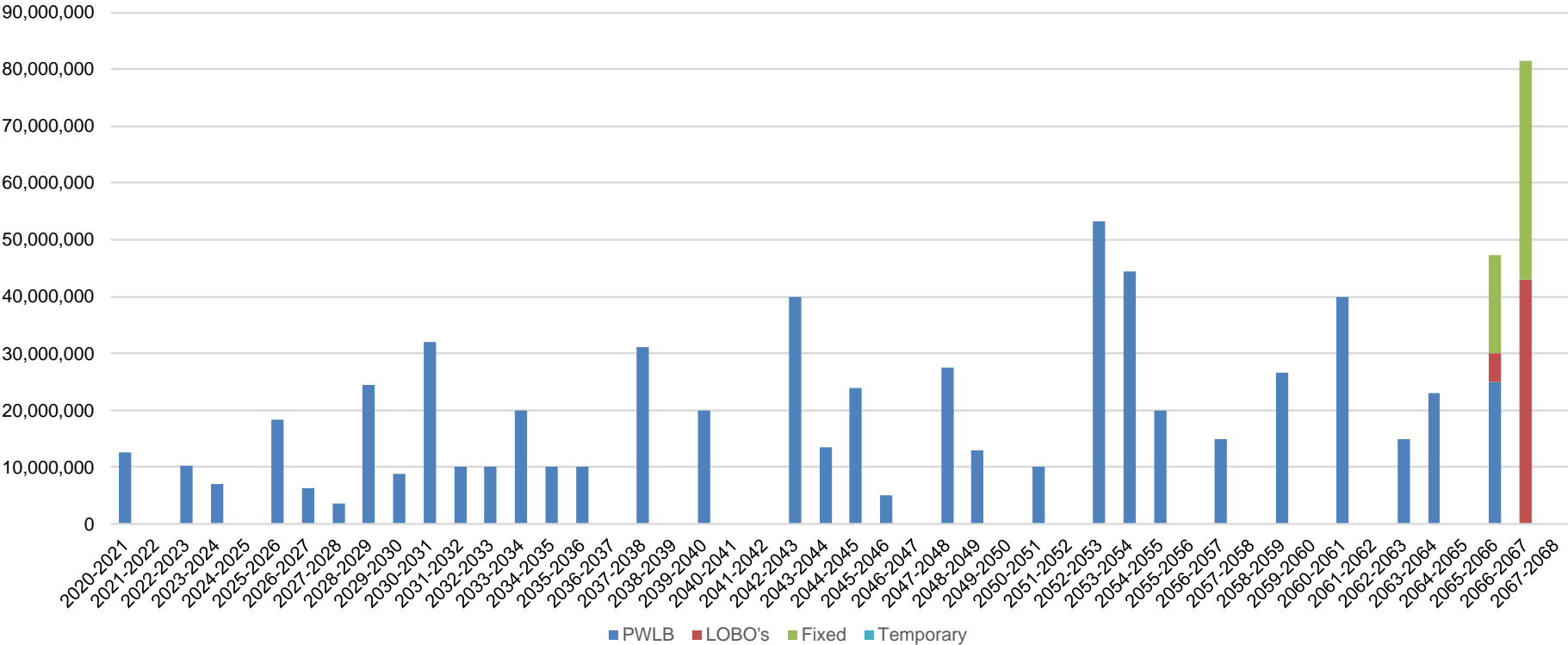
TMI 2 - Upper and lower limits to the maturity structure of its borrowing.

These limits relate to the % of fixed and variable rate debt maturing.

	Approved by Council 4 March 2020		As at 30 June 2020	
	Upper Limit	Lower Limit	2019-2020 Actual Borrowing	2020-2021 Forecast Borrowing
Under 12 months	25%	0%	1.41%	1.44%
12 months and within 24 months	25%	0%	3.61%	5.03%
24 months and within 5 years	40%	0%	1.95%	2.66%
5 years and within 10 years	50%	0%	6.91%	6.42%
10 years and within 20 years	50%	0%	16.11%	16.52%
20 years and within 30 years	50%	0%	27.66%	24.51%
30 years and within 40 years	50%	0%	19.06%	19.53%
40 years and within 50 years	50%	0%	23.29%	23.89%
50 years and within 60 years	50%	0%	-	-

Borrowing Maturity Profile at 30 June 2020

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Disclosure for Certainty Rate

Certainty Rate

This table details the information that is required to enable the Council to submit a return for 2020-2021.

	Approved by Council 4 March 2020				As at 30 June 2020			
	2019-2020	2020-2021	2021-2022	2022-2023	2019-2020	2020-2021	2021-2022	2022-2023
	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Actual £000	Forecast £000	Forecast £000	Forecast £000
Net Borrowing Requirement:								
Borrowing to finance planned capital expenditure	91,660	123,931	65,447	62,692	73,000	128,486	83,659	63,008
Existing maturity loans to be replaced during the year	23,000	59,500	34,077	33,199	(36,920)	32,577	45,677	40,199
Less:								
Minimum Revenue Provision for debt repayment	(16,220)	(17,896)	(20,920)	(22,996)	(16,220)	(17,101)	(20,818)	(23,293)
Voluntary debt repayment	(21,035)	(10,839)	(13,397)	(16,365)	(19,860)	(10,898)	(15,030)	(17,102)
	(37,255)	(28,735)	(34,317)	(39,361)	(36,080)	(27,999)	(35,848)	(40,395)
Loans replaced less debt repayment	(14,255)	30,765	(240)	(6,162)	(73,000)	4,578	9,829	(196)
Net Advance Requirement	77,405	154,696	65,207	56,530	0	133,064	93,488	62,812

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Lending List

2020-2021 Specified Investments as at 31 May 2020

Institution	Country (Sovereign Rating)	Limit £000	Term Limit
Bank Nederlandse Gemeenten	Netherlands (AAA)	20,000	12 mths
DBS Bank Ltd	Singapore (AAA)	10,000	6 mths
HSBC Bank plc	UK (AA-)	5,000	3 mths
Landwirtschaftliche Rentenbank	Germany (AAA)	20,000	12 mths
National Bank of Abu Dhabi	Abu Dhabi (U.A.E) (AA)	5,000	3 mths
NRW.BANK	Germany (AAA)	20,000	12 mths
Oversea Chinese Banking Corporation Ltd	Singapore (AAA)	10,000	6 mths
United Overseas Bank Ltd	Singapore (AAA)	10,000	6 mths
Nationalised Banks			
Royal Bank of Scotland Group plc			
National Westminster Bank plc	UK (AA-)	10,000	3 mths
The Royal Bank of Scotland plc	UK (AA-)	10,000	3 mths
AAA Rated and Government Backed Securities			
Debt Management Office	UK (AA-)	20,000	30 mths
Money Market Funds			
	Fund Rating		
Invesco STIC Account	Fitch AAmmf	20,000	Instant Access
Aberdeen Liquidity Fund (LUX) Class 2	Fitch AAmmf	20,000	Instant Access
Federated Short-Term Sterling Prime Fund	Fitch AAmmf	20,000	Instant Access
Black Rock Sterling Liquidity Fund	Moody's Aaa-mf	20,000	Instant Access
Scottish Widows Sterling Liquidity Fund	Moody's Aaa-mf	20,000	Instant Access

Non-rated Institutions

County Councils, London Boroughs, Metropolitan Districts and Unitary Authorities - limits £6m and 12 months.

Shire District Councils, Fire and Civil Defence Authorities, Passenger Transport Authorities and Police Authorities - limits £3m and 12 months.

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CITY OF WOLVERHAMPTON COUNCIL	Cabinet 11 November 2020
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Report title	Treasury Management Activity Monitoring – Mid Year Review 2020- 2021	
Decision designation	RED	
Cabinet member with lead responsibility	Councillor Louise Miles Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Tim Johnson, Chief Executive	
Originating service	Strategic Finance	
Accountable employee	Claire Nye	Director of Finance
	Tel	01902 550478
	Email	Claire.Nye@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board	30 October 2020
	Council	18 November 2020
	Our Council Scrutiny Panel	25 November 2020

Recommendations for decision:

That Cabinet recommend that Council is asked to note:

1. That a mid-year review of the Treasury Management Strategy Statement has been undertaken and the Council has operated within the limits and requirements approved in March 2020.
2. That revenue underspends of £1.8 million for the General Revenue Account and £682,000 for the Housing Revenue Account (HRA) are forecast from treasury management activities in 2020-2021, arising as a result of re-phasing of the capital programme and lower interest rates forecast on borrowing due to the impact on the economy of Covid-19.

3. That two of the three credit rating agencies have downgraded the UK's credit rating. If the remaining credit rating agency follows suit the Director of Finance will lower the minimum sovereign rating in the Annual Investment Strategy in line with the delegated authority approved by Council on 17 July 2020.

Recommendation for noting:

That Cabinet is asked to note:

1. The financial information included in this report is based on the 'Capital Programme 2020-2021 to 2024-2025 Quarter Two Review' report also on the agenda for this meeting. The capital report is subject to a report being separately approved by Cabinet also at this meeting. Therefore, if this approval is not obtained, a revised version of this report will be presented to Council on 18 November 2020.

1.0 Purpose

- 1.1 The report provides a monitoring and progress report on treasury management activity for the second quarter of 2020-2021 as part of the mid-year review, in line with the Prudential Indicators approved by Council in March 2020.

2.0 Background

- 2.1 The treasury management activities of the Council are underpinned by The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management. For further information on the requirements of the Code please refer to the Treasury Management Strategy 2020-2021 report which can be accessed online on the Council's website by following the link:

<https://wolverhampton.moderngov.co.uk/ieListDocuments.aspx?CId=130&MId=11872&Ver=4>

- 2.2 Treasury management is defined as:

"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

- 2.3 The system of controls on local authority capital investment is based largely on self-regulation by local authorities themselves. At its heart is CIPFA's Prudential Code for Capital Finance.
- 2.4 Cabinet / Cabinet (Resources) Panel receive quarterly reports throughout the year to monitor performance against the strategy and Prudential Indicators that have previously been approved by Council.
- 2.5 The Council continues to use Link Asset Services as its treasury management advisors throughout 2020-2021. Link Asset Services provides market data and intelligence on which the Council can make decisions regarding all aspects of treasury management activities and in particular, managing the risks associated with investing surplus cash.

3.0 2020-2021

- 3.1 The forecast outturn for treasury management activities in 2020-2021 compared to budget is shown in Table 1.

Table 1 – Treasury management budget and forecast outturn 2020-2021

	Approved Budget £000	Forecast Outturn £000	Variance at Quarter two £000
General Revenue Account	36,835	35,050	(1,785)
Housing Revenue Account	10,923	10,241	(682)
Total	47,758	45,291	(2,467)

- 3.2 Overall, underspends of £1.8 million for the General Revenue Account and £682,000 for the HRA are projected for the year 2020-2021.
- 3.3 The main reasons for the underspend for the General Revenue Account are a reduced borrowing need in year arising as a result of re-phasing of the capital programme and lower interest rates forecast on borrowing due to the impact on the economy of Covid-19. This is offset by a reduction in treasury income receivable. Due to the uncertain economic climate due to Covid-19, it is likely that the outturn forecast will be subject to change during the financial year.
- 3.4 The forecast underspend will be considered more fully and in context of the whole General Fund budget in the 'Draft Budget and the Medium Term Financial Strategy for the period of 2021-2022 to 2023-2024' report to Cabinet also on the agenda for this meeting.
- 3.5 The Council's strategy is to continue to use cash balances to finance capital expenditure rather than external borrowing. Borrowings are actively managed to achieve savings wherever possible.
- 3.6 Appendix 1 shows a comparison of the latest estimates of Prudential and Treasury Management Indicators over the medium term period with the equivalent figures which were approved by Council in March 2020.

4.0 Borrowing forecasts for 2020-2021

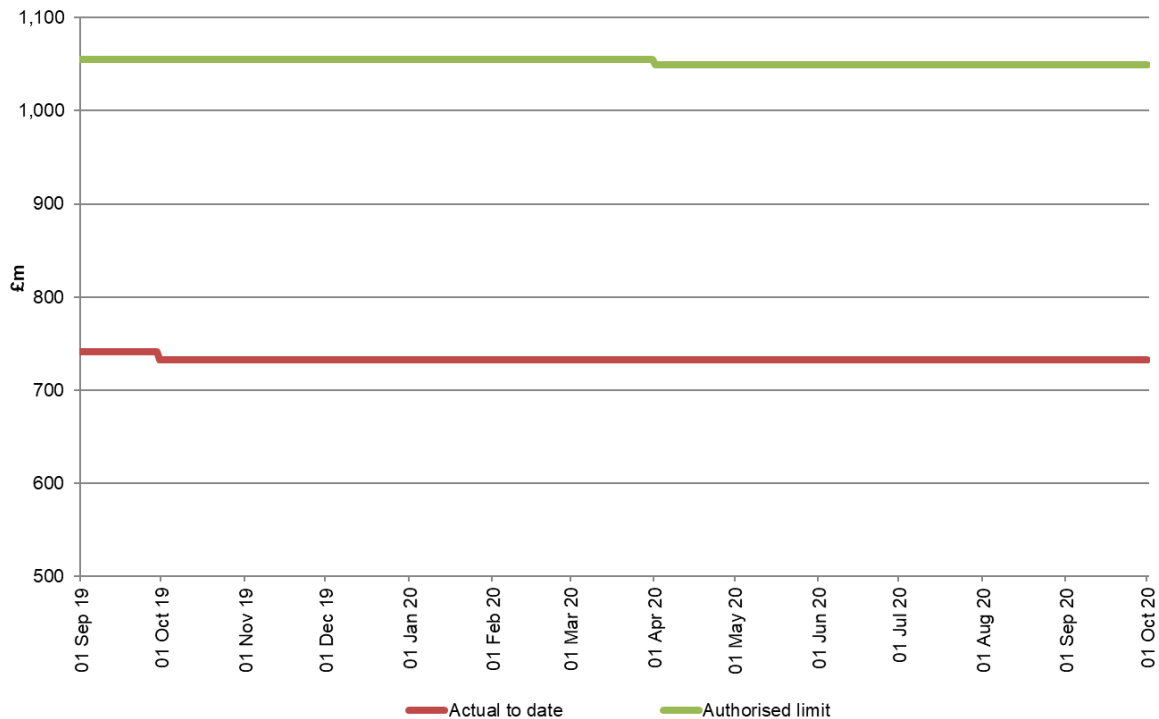
- 4.1 The Council's need to borrow and the rates available continue to be monitored in order to achieve optimum results. The Council's medium term forecast is regularly updated to reflect actual borrowing that takes place along with any revisions to future anticipated borrowing.
- 4.2 Table 2 shows the average rate of interest payable in 2019-2020 and forecast for 2020-2021.

Table 2 – Average interest rate payable in 2019-2020 and 2020-2021

	2019-2020 Actual	2020-2021 Forecast
Average Interest Rate Payable	3.74%	3.74%

- 4.3 Each year it is necessary to raise new loans to finance capital expenditure and to replace existing maturing borrowing. The Council's policy is to prioritise the use of capital receipts to finance capital expenditure. Balances which are set aside to meet credit liabilities (i.e. to repay borrowing) are used to reduce the external borrowing requirement.
- 4.4 Decisions to take borrowing will be made by the Director of Finance when it is judged that rates are likely to be at their lowest levels, and probably about to rise according to market indications, and only when an inflow of funds is required to meet imminent cash flow commitments. This will keep overall surplus cash balances to a minimum, in line with the current strategy. Appendix 2 to this report shows the maturity profile of external borrowing.
- 4.5 As always, the Council needs to be mindful that the opportunity to secure short term efficiencies by postponing longer term borrowing requirements takes into account the risk of long term rates increasing in the future. Appendix 3 to this report includes the Link Asset Services interest rate forecast for quarter two 2020-2021 which forecasts that interest rates across all periods will slowly increase up to March 2023. The Director of Finance will continue to keep actual and forecast rates under close review.
- 4.6 The Council's borrowing profile continues to operate within the overall limits previously approved by Council, as shown in Chart 1.

Chart 1 – Comparison of borrowing within approved borrowing limits over the previous 12 months



- 4.7 The level of borrowing at 30 September 2020 is £732.9 million, appendix 4 to the report shows a summary of this position. During quarter two no new loans or repayments have occurred, £12.5 million of existing borrowing is due to be repaid in quarter four.
- 4.8 In March 2020, Council approved a net borrowing requirement for 2020-2021 of £154.7 million. The forecast net borrowing requirement for 2020-2021 is £60.9 million, as shown in appendix 5. This appendix also shows the details for the disclosure for certainty rate, which enables the Council to access discounted borrowing at 0.20% below normal PWLB rates.
- 5.0 Investment forecast for 2020-2021**
- 5.1 The approach during the year is to continue to use cash balances to finance capital expenditure so as to keep cash balances low.
- 5.2 Table 3 shows the total amount of surplus funds invested as at 31 May 2020 and 30 September 2020.

Table 3 – Total amounts invested 2020-2021

	31 May 2020 £000	30 September 2020 £000
Business Reserve Accounts	339	293
Money Market Funds	21,405	3,150
Total invested	21,744	3,443
Average cash balance for the year to date	47,136	29,918

- 5.3 Money Market Funds and Business Reserve Accounts are the main investments used as these have high credit ratings and instant access.
- 5.4 The Council's cash flow balance for the second quarter of the current financial year has moved between a low of £1.9 million and a maximum of £31.1 million. The average cash balance for the quarter being £17.8 million.
- 5.5 Table 4 shows the budgeted average rate of interest receivable in 2020-2021 and the forecast for the year.

Table 4 – Average interest rate receivable in 2020-2021

	2020-2021 Budget	2020-2021 Forecast
Average Interest Rate Receivable	0.70%	0.20%

- 5.6 At the time the budget was set a prudent percentage was used for budgeting purposes, however, since the Covid-19 pandemic the interest rates available for investments has decreased significantly. With the current uncertainties it is increasingly difficult to forecast future investment rates that could be achieved, in order to be prudent, a lower rate is forecast based on the decreasing rates achieved up to 30 September 2020. The impact of this reduction will be monitored throughout the year; however, this loss of income will be offset against the savings generated by avoiding the cost of borrowing, due to re-phasing in the capital programme and lower borrowing interest rates.
- 5.7 In recent months there has been some discussion in the financial market regarding negative interest rates, which encourages lending and discourages investments. This has not impacted on our investments.
- 5.8 The last monitoring report highlighted that Fitch (one of the three credit rating agencies) had downgraded the UK's sovereign rating from AA to AA- due to the unprecedented impact of the Covid-19 pandemic on the economy. The Council's Annual Investment Strategy sets the minimum sovereign rating of AA with regard to the Council's investment lending list. As the two other credit rating agencies (Moody's and Standard & Poors) had

kept their UK sovereign rating equivalent to AA the Annual Investment Strategy didn't require amendment. If they did also downgrade the UK's sovereign rating, the Council's bank account provider, National Westminster Bank plc, would no longer have met the current approved minimum sovereign rating. Therefore, to ensure that National Westminster Bank plc remained on the lending list, in the event that the UK sovereign rating was downgraded by Moody's and Standard & Poors, delegation was sought to enable the minimum sovereign rating to be lowered by the Director of Finance in a timely manner. This delegation hasn't been utilised in quarter two, however, on 16 October 2020 Moody's downgraded the UK's credit rating and it is currently under review by Standard & Poors. If Standard & Poors do also downgrade the rating the Director of Finance will be required to use the delegated authority to lower the minimum sovereign rating in the Annual Investment Strategy.

- 5.9 While investment rates continue to be below long term borrowing rates, the Council can minimise its overall net treasury costs in the short term by continuing to avoid new external borrowing and by using internal cash balances to finance new capital expenditure or to replace maturing external borrowing (this is referred to as internal borrowing).
- 5.10 The Council manages its investments in-house and invests only in the institutions listed in the Council's approved lending list, which is reviewed each time a counterparty is subject to a credit rating amendment. The Council's strategy allows for investments for a range of periods from overnight to five years, depending on the Council's cash flows, its interest rate view and the interest rates on offer. However, in order to maintain sufficient liquidity whilst total investment levels are relatively low, investments have been placed for shorter durations.
- 5.11 The approved Treasury Management Code of Practice sets out the criteria to be used for creating and managing approved counterparty lists and limits. As a result of any changes to credit criteria, the Director of Finance is authorised to make changes to the list of approved counterparties. In the event that any of these counterparties fall below the Council's minimum lending criteria, activity in that account will temporarily cease and any balance withdrawn immediately. Appendix 6 to this report shows the Council's current specified investments lending list.
- 5.12 In quarter two 2020-2021 the Director of Finance has not been required to use her discretion to temporarily exceed any upper limits with approved counter-parties.

6.0 Evaluation of alternative options

- 6.1 As this is a monitoring report of treasury management activities undertaken in line with the approved Treasury Management Strategy for 2020-2021, there are no alternative options available.

7.0 Reasons for decisions

- 7.1 This report provides an update on treasury management activities undertaken in line with the approved Treasury Management Strategy for 2020-2021.

8.0 Financial implications

- 8.1 The financial implications are discussed in the body of this report.
[SH/21102020/D]

9.0 Legal implications

- 9.1 The Council's treasury management activity must be carried out in accordance with the requirements of the Local Government Act 2003. In addition, the Local Government and Housing Act 1989 sets out requirements for local authorities in respect of capital controls, borrowing and credit arrangements. The Council is also required to comply with the Local Authority (Capital Finance and Accounting) (England) (Amendment) Regulations 2008.
- 9.2 Treasury management relates to the management of the Council's cash flow, borrowing and cash investments. This involves seeking the best rates of interest for borrowing, earning interest on investments, whilst managing risk in making financial decisions and adopting proper accounting practice.
- 9.3 The area is heavily regulated. The Local Government and Housing Act 1989 regulates the operation of the Housing Revenue Account. The 'CIPFA Code of Practice for Treasury Management in the Public Services', contains treasury management indicators and advice on treasury management strategy. Investment strategy is regulated by 'MHCLG Guidance on Local Government Investments' issued initially in 2004 and reissued in 2010 and 2018. Part 2 of this Guidance is statutory guidance.
[TS/26102020/W]

10.0 Equalities implications

- 10.1 There are no equalities implications arising from this report.

11.0 Climate change and environmental implications

- 11.1 There are no climate change and environmental implications arising from this report.

12.0 Human resources implications

- 12.1 There are no human resources implications arising from this report.

13.0 Corporate landlord implications

- 13.1 There are no corporate landlord implications arising from this report.

14.0 Health and Wellbeing Implications

- 14.1 There are no health and wellbeing implications arising from this report.

15.0 Covid Implications

- 15.1 In quarter two, due to Covid-19, there has been re-phasing of the capital programme which reduces the borrowing need in year. This is to reflect new timescales for completing projects to take into account work starting again on sites and any social distancing measures which may be required. As Central Government initiatives start to reduce e.g. furlough scheme, the Council is monitoring its cash balances to see how this may affect the cash that it receives from local taxpayers etc. Any pressure in this area may have a negative impact on the Council's cash flow balances which may require borrowing to be undertaken sooner than planned to temporarily fund revenue costs.
- 15.2 As highlighted in the last monitoring report, Covid-19 has impacted on the economy resulting in lower interest rates being available for investments and may affect the UK's sovereign rating. So far two of the three rating agencies have reduced the UK's rating, if the remaining third agency follows suit the Council's minimum sovereign rating will need to be lowered to allow the Council's bank to remain on the lending list. The impact on the treasury management budget of the reduced interest rates available for the Council's investments will be closely monitored.
- 15.3 The Council has agreed variations to loans provided to the Council's wholly owned housing company, WV Living. There is no detrimental impact on the Council's budget over the medium term, however it will impact on short term cash balances.

16.0 Schedule of background papers

- 16.1 Cabinet, 19 February 2020 – [Treasury Management Strategy 2020-2021](#)
- 16.2 Cabinet, 8 July 2020 – [Treasury Management – Annual Report 2019-2020 and Activity Monitoring Quarter One 2020-2021](#)
- 16.3 Individual Executive Decision Notice, 1 July 2020 – Capital Repayment Holiday WV Living
- 16.4 Individual Executive Decision Notice, 21 July 2020 – Capital Repayment Holiday WV Living

17.0 Appendices

- 17.1 Appendix 1 – Prudential and Treasury Management Indicators
- 17.2 Appendix 2 – Borrowing maturity profile
- 17.3 Appendix 3 – Link interest rate forecasts
- 17.4 Appendix 4 – Borrowing type, borrowing and repayments
- 17.5 Appendix 5 – Disclosure for certainty rate
- 17.6 Appendix 6 – Lending list