



Committee and Date

Audit Committee

4 March 2021

MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 11 FEBRUARY 2021

1.30 - 1.57 PM

Responsible Officer: Tim Ward

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Present

Councillor Peter Adams (Chairman)

Councillors Ioan Jones, Chris Mellings, Brian Williams (Vice Chairman) and Michael Wood

148 Apologies for Absence / Notification of Substitutes

148.1 There were no apologies for absence received

149 Disclosable Pecuniary Interests

149.1 The Chairman reminded Members that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the meeting prior to the commencement of the debate.

150 Public Questions

150.1 No public questions had been received

151 Members Questions

151.1 No Members questions had been received

152 Second line assurance: Treasury Strategy 2021/22

152.1 Members received the report of the Interim Executive Director, Resources (Section 151 Officer), which set out the proposed Treasury Strategy for 2021/22 and the Prudential and Treasury Indicators for the years 2021/22 to 2023/24

152.2 The Interim Executive Director, Resources (Section 151 Officer) reminded Members that the current strategy had been approved at the recent Cabinet meeting and would be considered by Full Council at its meeting on the 25th February.

152.3 The Head of Treasury and Pensions reminded Members that a Treasury Strategy was produced yearly and was updated throughout the year.

152.4 The Head of Treasury and Pensions advised Members that there was an approved borrowing requirement within the capital programme of £118.9 million over the next

3 years and that in addition to this there was an anticipated requirement of £113.6 million for future capital schemes which are currently being prioritised within the capital strategy.

152.5 The Head of Treasury and Pensions reminded Members that there were agreements in place to loan money to Connexus Housing, and Severnside Housing and to the Council wholly owned housing Company Cornovii Homes.

152.6 In response to a question the Head of Treasury and Pensions confirmed that there were no plans to appoint an External Fund Manager at this time but if in the future one was appointed; they would have to comply with the Council's Annual Investment Strategy.

152.7 In response to a question regarding what would be the implications if negative interest rates were introduced by the Bank of England, the Head of Treasury and Pensions commented that he did not expect this to occur and referred members to the interest rate forecasts table within the report, but if it did he felt that the Council would use internal cash balances rather than external borrowing to finance capital expenditure and reduce the interest receivable budget accordingly.

152.8 A Member asked in respect of Prudential Indicator 4 why there was a zero figure for Commercial activities/ non-financial investments in 2023/24. The Head of Treasury and Pensions advised that this was due to the fact that as yet there was nothing approved in the Capital Programme for that year and that this would be updated as and when required.

152.9 **RESOLVED:**

That the Audit Committee endorse the Treasury Strategy 2021/22

153 Date and Time of Next Meeting

153.1 Members noted that the next meeting of the Audit Committee would be held on the 4 March 2021 at 1:30pm.

Signed (Chairman)

Date: