



22<sup>nd</sup> April 2020

Dear Councillor

I have to inform you that a Meeting of the Council will be held virtually on Wednesday 29<sup>th</sup> April 2020, at 7.30pm to which you are summoned, for the transaction of the following business. Members will be sent an electronic invitation on the day or they can phone into the discussion. Members of the public wishing to participate should contact [carrie.lloyd@hatfield-herts.gov.uk](mailto:carrie.lloyd@hatfield-herts.gov.uk) to be sent an invitation email.

Yours sincerely,

C. A. Lloyd  
Town Clerk

### **AGENDA**

**1. APOLOGIES**

To receive apologies for absence.

**2. MINUTES**

To approve the minutes of the meeting held on 8<sup>th</sup> April 2020.

**3. DECLARATIONS OF INTERESTS BY MEMBERS**

To note declarations of Members' interests not previously declared on their Declaration of Interests Form in respect of items on this Agenda.

**4. RESPONSE TO WELWYN HATFIELD BOROUGH COUNCIL LOCAL PLAN CONSULTATION**

The documents can be viewed here [www.welhat.gov.uk/local-plan-sites](http://www.welhat.gov.uk/local-plan-sites)  
The recommendation from Planning Committee is to follow.

**5. TOWN COUNCIL UPDATE ON CO-VID 19**

To receive an update from the Town Clerk and Head of Operations on the current position of the Town Council (to follow) including a revised Medium Term Financial Forecast (attached).

**6. REQUEST FOR £500 GRANT**

Following the request at the last meeting, the CVS Manager has responded as follows (in red);

Members had concerns that the money we gave had to be for Hatfield residents only. How could you ensure that it would be used only for Hatfield residents please? I have an arrangement with Welwyn Parish Council and the same would apply to Hatfield. It would only be used for those in Hatfield identified by post code (I would need a map of the parish you cover).

Also it was suggested that as residents would possibly be paying you back at a future date should this be in the form of a loan rather than a grant? It could be either. I just wanted some funds set aside for those who promise to pay but didn't. I won't have the time to chase payments. I am working on a goodwill promise. At present my volunteers are paying for the shopping and we are refunding back to their accounts. Most of the clients have either paid online or sent in a cheque. (I am checking our letter box once a week). So far, only one person have failed to pay as yet but that could be for various reasons. Once the crisis is over, any unspent funds would be returned to you.

Members' views are sought.

**7. DE HAVILLAND GRANGE WORKING GROUP**

An update from the Working Group

**8. RECOMMENDATION FROM SPORT AND LEISURE COMMITTEE**

To receive the recommendation and review it in light of current circumstances

**9. ANNUAL INVESTMENT STRATEGY 2020/21**

To receive and approve the attached documents

**10. DATE OF NEXT MEETING**

The next meeting of the Council will be 7.30pm on 13<sup>th</sup> May 2020.

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

Recommended to RESOLVE that the press and public be excluded for the following items as their presence would be prejudicial to the public interest by reason of the confidential nature of the business to be transacted.

(i) Staffing matters

To all Councillors



Minutes of the Town Council Meeting held on Wednesday 8<sup>th</sup> April 2020 at 7.30pm via Zoom.

PRESENT: Councillor Eames-Petersen (Deputy Mayor in the Chair)

Councillor Mark Bolitho	Councillor Hazel Laming
Councillor Lenny Brandon	Councillor John Percival
Councillor Jackie Brennan	Councillor Tristan Wiltshire
Councillor Richard Brisbin	

OFFICERS: Carrie Lloyd (Town Clerk)  
Sam Frake (Head of Operations)  
Ali Ogilvie (Head of Estates)  
Jane Anderson (Office Manager)

88. **APOLOGIES**

Apologies for absence were received from Cllr Linda Mendez (unable to get online), Cllr Richard Griffiths (unable to get into Zoom), Councillor Caron Juggins (no internet connection) and Councillor Lee Newman.

89. **MINUTES**

Councillor Eames-Petersen advised that at Minute 72. HCC PLANNING APPLICATION 5/0394-16, the £800 for the consultant would not only pay for his attendance at HCC Development Control Committee but also paid for his report which had been submitted to the County Council and was available to view on their website at

<https://planning.hertfordshire.gov.uk/Planning/Display?applicationNumber=5%2F0394-16>

Subject to the above amendment and update the Minutes of 4<sup>th</sup> March 2020 were approved and will be signed as a correct record after the CoVid 19 lockdown has been lifted.

90. **DECLARATIONS OF INTEREST**

Councillor Wiltshire declared an interest in the Local Plan as a potential owner of a nominated site.

91. **RESPONSE TO WELWYN HATFIELD BOROUGH COUNCIL LOCAL PLAN CONSULTATION**

Concern was raised at the possible suggestion that Hatfield would be expected to take an additional 1,100 dwellings. With a number of key sites already passed through Development Control and having received permission Members were cautious of responding prior to further investigation.

It was also considered necessary to discuss the Plan with Cllr Mackay.

RESOLVED that the Planning Committee be authorised to respond to the Local Plan on behalf of the Council. The next meeting of the Committee to be 7.30pm on 21<sup>st</sup> April via Zoom.

92. **MEMBERSHIP OF DE HAVILLAND WORKING GROUP**

Members confirmed that they wished the Working Group to reflect political proportionality and **RESOLVED** that that a Working Group of Cllrs Brennan, Eames-Petersen, Brisbin, Wiltshire and Brandon meet within the next two weeks to draw up a residents' consultation plan and report back to the next meeting.

(Action: Town Clerk)

93. **TOWN COUNCIL UPDATE ON CO-VID 19**

Members noted the report of Officers.

Members **RESOLVED** that the Annual Meeting of the Council (Mayor-making) would be postponed and a new date reconsidered at the end of May with the hope that it could be re-scheduled for June.

Members **RESOLVED** that the following changes be made to the Council's Standing Orders;

VIRTUAL MEETINGS

- (i) Voting be by means of roll-call to allow for members who phone into meetings so they may hear who has voted;
- (ii) Member access to documents will be via email and post as at present, public access will be via the Council's website and during the meeting the Clerk will screen share when appropriate.
- (iii) The Council will use Zoom for video conferencing which allows Members without technology to phone into meetings. The app can be used from smart phones or tablets or it can be accessed via a http link emailed from the Town Clerk. The public can also contact the Clerk for details on how to join in the meeting. For reasons of privacy and hacking the "chat" facility will be turned off during meetings and only the Clerk will be able to screen share, therefore if a Councillor wishes to include a document on an agenda it should be included in the agenda pack sent out to Councillors.

Members noted that a link to the Town Council's meetings page was now on the Borough Council's website.

It was noted that the Council would have an extra 2 months to complete its year end accounts for 2019/20 and that a meeting would need to be held before 31<sup>st</sup> August 2020 for approval of the audited accounts.

Councillor Eames-Petersen lost internet connection. Councillor Percival was elected to Chair the meeting.

Members noted the current financial position and refunds made so far. It was noted that the situation regarding furloughing Town Council staff directly employed in its business activities was still unclear, however, Members felt that to avoid redundancies they had no option other than to consider furloughing staff from 1<sup>st</sup> May. Some Members were not in favour of topping up salaries with the additional 20% especially as the Council did not know if it could afford it.

It was **RESOLVED** that the Head of Operations commence discussions with staff regarding furloughing from 1<sup>st</sup> May and any decision to top up salaries with the additional 20% be made at the end of April when the Council's financial position was clearer.

Councillor Eames-Petersen resumed chairing the meeting.

The Head of Estates advised Members that the grounds staff were continuing in most of their duties, using distancing and appropriate PPE. Hall Managers were undertaking necessary checks to ensure that our insurance was still valid and our buildings remained compliant.

Members asked that their thanks be passed onto the staff who continued to work during the lockdown.

(Action: Town Clerk, Head of Operations and Head of Estates)

#### 94. **DELEGATION TO TOWN CLERK**

RESOLVED that the Town Clerk be authorised to comment on all Planning applications received during the Co-Vid 19 lockdown, following discussion with at least 3 members of the Planning Committee.

(Action: Town Clerk)

#### 95. **REQUEST FOR £500 GRANT**

Members noted the request but were generally concerned that the charity was not just Hatfield based and required assurances that the money would only be spent on Hatfield residents. As the intention was that when lockdown was lifted the money could be repaid by the residents, it was suggested that perhaps this should be a loan rather than a grant.

The Town Clerk was requested to find out more information and report back to Members.

(Action: Town Clerk)

96. **DATE OF NEXT MEETING**

Virtual Planning Committee 21<sup>st</sup> April at 6pm

Virtual Meeting of the Council 29<sup>th</sup> April at 7.30pm

Closure: 9.15pm

# **HATFIELD TOWN COUNCIL**

## **MEDIUM TERM FINANCIAL FORECAST**

**2020/21 – 2025/26**

## **MEDIUM TERM FINANCIAL FORECAST 2019/20 to 2024/25**

### **Introduction**

The purpose of the Medium Term Financial Forecast is to set a robust overall framework for the Council's spending plans over the next five years to support delivery of the Council Plan priorities.

The main objectives of the Medium Term Financial Forecast are;

- To look to the longer term to help plan sustainable services and budgets and help ensure that the Council's financial resources are sufficient to support delivery of the Council's priorities.
- To provide a single document to communicate the financial context, aims and objectives to staff and stakeholders and support working with partners.

The financial forecast includes a five year budget forecast that is reviewed annually.

### **Internal Policy and Service Context**

The Council sets the overall direction for the Medium Term Financial Forecast and annual budgets. The Council is proposing four priority themes as follows;

- **Rebuild Council reserves**
- **To maintain and enhance local community *wellbeing***
- **To build and sustain a strong focus on *inclusion***
- **To develop and support effective *partnerships focused on community priorities***
- ***Develop Town Council assets and improve our offer to the community***

The Council's budget identified resource issues that have been taken into account in formulating the financial forecasts but did not allow for CoVid 19. Council's income has been down by £100,000 in March 2020 and April 2020. Whilst some savings have been made, fixed costs have remained.

The Town continues to grow with new housing developments and an expanding population. These factors place increasing pressure on the delivery and cost of Council services to meet the demand.



## **Internal Financial Context**

In 2020/21 the Council's net revenue budget requirement was £843,441 (net of fees and charges, rent and interest) this provided the resources to meet the service delivery plans of the Council, prior to CoVid 19 outbreak. The Council relies heavily on non-Council Tax income, and whilst representation is being made to Government on behalf of our sector there is no guarantee that any financial assistance will be forthcoming.

The Council currently has reserves which are invested and earn interest to help support the budget. These general reserves have now been depleted due to CoVid 19.

## **External Economic, Financial and Legislative Context**

The Council's medium term financial forecast is set within the context of national economy, public expenditure plans and national legislation.

The medium term financial strategy needs to remain flexible to respond to any opportunities that the external environment will present as well as those that the Council itself is creating.

## **Budget Strategy 2020/21 – 2025/26**

### **Revenue Strategy**

The budget strategy reflects the Council's external and internal context, the budget forecast and addresses identified service pressures and issues. The strategy:

- Pursues efficiency to make the best use of the Council's assets – funds, land, buildings, staff and information technology. A complete review will be made in the coming months to look a efficiencies that can be made.
- Supports working with partners to secure best outcomes for the benefit of local communities. These Partners will now have their own budget difficulties and can no longer be relied upon for funding.
- Targets resources to achieve the greatest positive impact, potentially putting on hold some projects until the Council can sustain the upfront revenue costs of capital projects
- Looks to the longer term to plan for sustainable services and budgets, securing the services provided by the council before looking to take on anymore services without the finance to provide them.

The Council's underlying budget position is that roll forward basis expenditure inflation is likely to be as forecast additional income from council tax, fees and charges increases. The financial strategy is therefore to maintain the equilibrium and deliver a balanced budget position. This will be achieved by;

- Maintaining a downward pressure on supplies and services inflation costs mainly delivered through more effective procurement.
- Establishing service efficiency savings targets.

- Maximizing external income sources including grants to be delivered through effective asset management and partner working.
- To plan for a balanced budget over the medium term.
- To plan a 1% or inflationary increase in Council Tax in 2020/21 but to review this in future years.
- To plan for a 2% or inflationary increase in fee and charges income per year but to review this in future years.
- To rebuild a general fund reserve of 30% over the medium term, utilizing ear-marked reserves if necessary in the short term.

### **Risk Assessment & Sensitivity**

There are a number of risks associated with the medium term forecast as a relatively small change in key underlying assumptions can produce a significant change in the forecast.

The key risks to the Medium Term Financial Strategy are:

**Investment income risk** – the medium term strategy forecast includes significant assumptions around future interest rates. Whilst a realistic approach has been taken to forecasting interest rates over the period these are notoriously difficult to predict.

**Pay Award** – the medium term strategy allows for a 2% annual award. This is linked to a national agreement and again is notoriously difficult to predict. The current amount on offer from the Employers' side is 2.75%.

### **Responsible Finance Officer**

Part II the Local Government Act 2003 places a duty on the Town Clerk to report on the robustness of the budget and adequacy of reserves.

The budget has been constructed following a detailed process involving budget holders starting with the Medium Term Financial Strategy formulation and refined by the final estimates. Expenditure and income estimates have been carefully considered during the budget process which included a review of the implications of last year's outturn.

Account has been taken of financial issues identified during the current year but not the CoVid 19 situation.

These risks are managed through a comprehensive and timely in year budget monitoring process which acts as an effective early warning system in identifying potential problems and for managing risk.

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
Income	£696,961	£696,961	£700,000	£705,000	£710,000
Expenditure	£1,540,402	£1,540,402	£1,540,402	£1,540,402	£1,540,402
Precept	£843,441	£851,845	£860,363	£868,966	£877,655

**De Havilland Grange Working Group  
20<sup>th</sup> April 2020 7pm meeting via Zoom**

Present;

Cllr Margaret Eames-Petersen – Chairman  
Cllr Lenny Brandon  
Cllr Richard Brisbin  
Cllr Jackie Brennan  
Cllr Tristan Wiltshire

Officer: Carrie Lloyd – Town Clerk

**1. ELECTION OF CHAIRMAN**

Cllr Eames-Petersen put herself forward as Chairman and was elected without opposition.

**2. TERMS OF REFERENCE FOR WORKING GROUP**

Council had set up the Working Group to “draw up a residents’ consultation plan and report back to the next Resources and Policy Committee”. However Members did not feel that they were in a position to do this having read the pre-application advice from the Borough Council.

Members therefore referred back to Council to widen the Working Group’s remit to cover the following;

- A agree vision statement
- Agree high level requirements
- Agree funding currently allocated
- Review designs and consider preferred option for possible consultation
- Report back to Council for final decision

In the meantime it was agreed that Members would look at images of pavilions designed and built and bring them back to a future meeting as examples of good design which would be sympathetic to a green belt location.

Closure: 8.15pm

**RECOMMENDATION FROM SPORT AND LEISURE COMMITTEE**

On 22<sup>nd</sup> January 2020, the Committee considered a request to replace 5 of the Pilates reformers. The 2020/21 budget allowed for the replacement of 1 reformer but due to the lack of spare parts and length of time to maintain the aging reformers, Members considered it expedient to replace a further 4 reformers using reserves. The Studio has a total of 8 reformers all of which will have been replaced in that last 3 years.

Since then we have had lockdown due to CoVid19. This has greatly affected our projected income from Pilates from March 2020 to the end of the 2020/21 financial year.

Members are therefore requested to review the Sport and Leisure recommendation that £8,945.73 be used from reserves to purchase additional Pilates reformers.



# ANNUAL INVESTMENT STRATEGY

2020/21

# **ANNUAL INVESTMENT STRATEGY**

## **KEY PRINCIPLES**

### **Transparency and democratic accountability**

1. For each financial year, a local authority should prepare at least one Investment Strategy (“the Strategy”). The Strategy should contain the disclosures and reporting requirements specified in this guidance.
2. The Strategy should be approved by the full council.
3. Where a local authority proposes to make a material change to its Strategy during the year a revised Strategy should be presented to full council for approval before the change is implemented.
4. The Strategy should be publicly available on a local authority’s website.

### **Contribution**

5. Investments made by local authorities can be classified into one of two main categories:
  - Investments held for treasury management purposes; and
  - Other investments.
6. Where local authorities hold treasury management investments, they should apply the principles set out in the Treasury Management Code. They should disclose that the contribution that these investments make to the objectives of the local authority is to support effective treasury management activities. The only other element of this Guidance that applies to treasury management investments is the requirement to prioritise Security, Liquidity and Yield in that order of importance.
7. Local authorities should disclose the contribution that all other investments make towards the service delivery objectives and/or place making role of that local authority. It is for each local authority to define the types of contribution that investments can make and a single investment can make more than one type of contribution.

### **Use of indicators**

8. The Strategy should include quantitative indicators that allow Councillors and the public to assess a local authority’s total risk exposure as a result of its investment decisions. This should include how investments are funded and the rate of return received. Where investment decisions are funded by borrowing the indicators used should reflect the additional debt servicing costs taken on.
  9. Local authorities should consider the most appropriate indicators to use, given their risk appetite and capital and investment strategies. Whilst this guidance does not prescribe specific indicators or thresholds, the indicators used should be consistent from year to year and should be presented in a way that allows elected members and the general public to understand a local authorities’ total risk exposure from treasury management and other types of investment.
  10. Where a local authority has entered into a long term investment or has taken out long term debt to finance an investment the indicators used should allow Councillors
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and the general public to assess the risks and opportunities of the investment over both its payback period and over the repayment period of any debt taken out.

### **Security, Liquidity and Yield**

11. A prudent investment policy will have two underlying objectives:
- **Security** – protecting the capital sum invested from loss; and
  - **Liquidity** – ensuring the funds invested are available for expenditure when needed.
12. The generation of **yield** is distinct from these prudential objectives. However, this does not mean that local authorities are recommended to ignore potential revenues. Once proper levels of security and liquidity are determined, it will then be reasonable to consider what yield can be obtained consistent with these priorities.
13. When entering into treasury management investments, local authorities should consider security, liquidity and yield in that order of importance.
14. When entering into other types of investments local authorities should consider the balance between security, liquidity and yield based on their risk appetite and the contribution(s) of that investment activity.

### **Security**

#### Financial Investments

15. Financial investments can fall into one of three categories:
- **Specified investments**;
  - **Loans**; and
  - Other **Non-specified**

#### **Investments.** Specified Investments

16. An investment is a specified investment if all of the following apply:
- The investment is denominated in sterling and any payments or repayments in the respect of the investment are payable only in sterling.
  - The investment is not a long term investment. This means that the local authority has contractual right to repayment within 12 months, either because that is the expiry term of the investment or through a non- conditional option.
  - The making of the investment is not defined as capital expenditure by virtue of Regulation 25(1)(d) of the *Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 [as amended]*.
  - The investment is made with a body or in an investment scheme described as high quality or with one of the following bodies:
    - i. The United Kingdom Government;
    - ii. A local authority in England or Wales (as defined in section 23 of *the 2003 Act*) or a similar body in Scotland or Northern Ireland; or
    - iii. A parish council or community council.

#### Loans

17. A local authority may choose to make loans to local enterprises, local charities, wholly owned companies and joint ventures as part of a wider strategy for local economic growth even though those loans may not all be seen as prudent if adopting a narrow definition of prioritising security and liquidity.
18. Local authorities can make such loans whilst continuing to have regard to this guidance if they can demonstrate in their Strategy that:
- Total financial exposure to these type of loans is proportionate;
  - They have used an allowed “expected credit loss” model for loans and receivables as set out in International Financial Reporting Standard (IFRS) 9 *Financial Instruments* as adopted by proper practices to measure the credit risk of their loan portfolio;
  - They have appropriate credit control arrangements to recover overdue repayments in place; and
  - The local authority has formally agreed the total level of loans by type that it is willing to make and their total loan book is within their self-assessed limit.

### Risk Assessment

19. This Council only invests with 3A rated investment companies and spreads the risk across more than one investment company.
20. This Council does not use external investment advisors.
21. If credit ratings change this Council will move its investment to a more secure rating at the first opportunity.
22. Advice from Joint Practitioners Advisory Group, Borough and County is received to assist with assessing and monitoring risk.

### **Liquidity**

23. This Council invests with Nat West and CCLA.
24. Investments are not restricted.
25. Proper budgeting allows this Council to retain sufficient current account funds to enable the Council to keep within the investment limits. The Council refers to CIPFA's Prudential Code for Capital Finance in Local Authorities and Treasury Management in the Public Services: Code of Practice and Cross Sectorial Guidance Notes.

### **Proportionality**

26. This Council does not plan to become dependent on profit generating investment activity to achieve a balanced revenue budget.

### **Borrowing in advance of need**

27. This Council does not borrow more than or in advance of its needs purely in order to
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profit from the investment of the extra sums borrowed.

28. This Council currently has no borrowing.

### **Capacity, skills and culture**

29. All decisions on the accountability, responsibility and authority for decision making on investment activities within the context of the local authority's corporate values are taken by the Resources & Policy Committee.