

## Decisions taken by the Cabinet on Monday, 30 January 2023



### Notice dated: 31/01/23

Issued to all councillors and senior officers.

Please refer to the relevant cabinet agenda and reports when reading this notice. The minutes of the meeting of the cabinet will be published in due course. To view the cabinet reports please click [here](#).

These decisions will come into force on the expiry of three working days after the publication of this decision notice unless implemented sooner for reasons of urgency.

### DECISIONS:

Item No	Matter	Decision	Reason(s) for Decision
4	Minimum Revenue Provision method change 2022-23	<b>Cabinet is asked to recommend the following to full Council:</b> 1) The MRP method for supported borrowing is revised to the annuity method using average PWLB rate for the year (01/04/2022 to 31/03/2023). 2) The MRP method for unsupported borrowing is revised to the annuity method using average PWLB rate for the year (01/04/2022 to 31/03/2023) weighted combined basis. 3) That the revised MRP Policy Statement shown at Appendix C is approved for 2022/23. 4) That the revised MRP Policy Statement shown at Appendix C becomes the default MRP Policy for the	

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		<p><b>Council going forward pending annual review as part of the Treasury Management Strategy.</b></p> <p><u>Reasons:</u>          These revisions to the methods for calculating MRP will result in reduced charges to the General Fund revenue account helping to reduce costs and preserve vital local services at a time when budgets are under severe pressure. The in-year savings made can be taken now to reduce the MRP charge, and hence pressure on the budget, used to make Voluntary Revenue Provision (VRP) charges that can be used to offset MRP charges in future years to alleviate budget pressures then or a combination of the two approaches.          The changes will also align the Council’s policy to what is considered best practice by CIPFA and is determined as more prudent. It is also considered fairer to Taxpayers as it results in the debt liability being repaid earlier and doesn’t leave future generations to foot the bill for assets that were purchases many years ago where the economic benefits have been fully consumed</p>	
5	Draft Treasury Management, Annual Investment Strategy and Capital Strategy 2023/24	<p><b>Cabinet recommends full Council that:</b>  <b>A. The Council approve the Treasury Management Strategy, Minimum Revenue Provision (MRP) Policy, Annual investment Strategy and the Capital Strategy.</b>  <b>B. The strategies listed are updated as necessary during 2023/24 in the light of</b></p>	

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### **changing and emerging risks and the Council's evolving future expenditure plans**

#### Reasons:

1. The Council seeks to minimise the costs of borrowing and maximise investment income whilst ensuring the security of its investments. The Council continues to make substantial investments in property, housing and energy generation initiatives, and this will continue to involve the Council in taking on additional borrowing.

2. The sums involved are significant and the assumptions made play an important part in determining the annual budget. The CIPFA Treasury Management Code of Practice, previously adopted by the Council, has been revised to take account of the more commercialised approach being adopted by councils and the enhanced levels of transparency required. The Code has represented best practice and helps ensure compliance with statutory requirements.

3. The Council has the ability to diversify its investments and must consider carefully the level of risk against reward against a background of historically very low interest rates. Investments can help to close the gap in the budget in the years ahead and thus help to preserve services, assist in the regeneration of the town, provide additional housing and enhance the long-term sustainability of the town. However, over reliance on

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		such income streams would involve taking unnecessary risks with the future of the Council and its ability to deliver statutory services.	
6	Pay Policy Statement 2023/24	<p><b>Recommendation of the pay policy statement to full council for approval with an amendment to section 18 ‘the Council will look to ensure the ratio does not exceed the national average for the public sector. Details on this will be published as soon as they’re available’</b></p> <p>Reasons: The Localism Act 2011 requires Hastings Borough Council to prepare and publish an annual pay policy statement. The purpose of such a statement is to provide information about Council policies on a range of issues relating to the pay of its workforce, particularly its senior staff and its lowest paid employees. A Pay Policy must be prepared for each financial year and must be approved by Full Council, and published</p>	
7	Cabinet appointments	<p><b>To appoint Councillor Hilton to the Working Arrangements Group in place of Councillor Jobson</b></p> <p>Reasons: The Working Arrangements Group is a politically balance working group. Changes to representation on the group are agreed by Cabinet following nominations from Group Leaders</p>	

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For further details please contact Committee Administration:

Email: [Committee\\_Admin@hastings.gov.uk](mailto:Committee_Admin@hastings.gov.uk)

Phone: 01424 451719