



## **URGENT DELEGATED DECISION**

Date: 30 March 2020

**Request to the Head of Paid Service to exercise delegated authority as per Responsibility of Functions in Part IV, page 28 of the Constitution.**

**“to determine any matter within the referred or delegated powers and duties of a committee / sub committee / board / working which is so urgent that a decision must be made before the next meeting of that committee / sub-committee / board / working group is due to be held.”**

Limits on delegation: -

- Before making a decision using this delegated power, The Head of Paid Service shall consult with and take cognisance of the views of the Chairman (or in his absence the VC) of the relevant Committee / Sub-Committee etc; and
- Any decision taken by the Head of Paid Service under this delegated power shall be reported to Members within five working days of the decision taken.

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**Usual Decision Maker: -**

This decision would have been taken by the Council after scrutiny by the Governance and Audit Committee but all Committee Meetings have been suspended due to the COVID-19 situation.

Call-in does not apply.

### **Background**

On 17 March the Prime Minister announced that they were to issue support for businesses and would pay an estimated amount of funds to Local Government billing authorities who would distribute the grant on our behalf, circa £20m. In addition other grants and reliefs are being awarded for a number of other initiatives. In addition we are seeing a reduction in our income and expect this to worsen over the next few months.

The impact on our cash flow is likely to be significant on a daily basis, operational counter party investment limits therefore need to be reviewed.

In addition there may be the requirement to undertake borrowing in excess of our operational and authorised limits for a short term, should the need arise, affecting both the approved Operational and Authorised limits

Paragraph 29 of the Prudential Code in accordance with the provisions of the Local Government Act 2003 allows local authorities to respond to unforeseen and extraordinary circumstances. Paragraph 29 sets out that:

Where Section 5 of the Local Government Act 2003 (England and Wales) applies:

- *(1) Subject to subsection (2), any limit for the time being determined by or for a local authority under section 3, or applicable to it under section 4, shall be treated for the purposes of this Chapter as increased by the amount of any payment which– (a) is due to the authority in the period to which the limit relates, but (b) has not yet been received by it.*
- *(2) In the case of a limit determined under section 3, or set under section 4(2), subsection (1) shall not apply to any payment whose delayed receipt was taken into account in arriving at the limit.*

### **Reason for Urgency and Rationale for use of urgent Delegated Decision**

In light of the current COVID 19 situation, an urgent decision is required in order to support the Treasury Management function.

### **Decision**

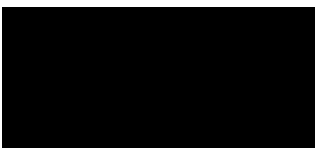
That all Treasury Management indicators are, for the time being, to be increased to any value required to ensure the effective management of the Council's cash flows.

Counter party limit increases;

Upper investment limits with AAA rated Money Market Funds be raised to £7.5m from £5m Lloyds Bank, our bankers, raised to £2m current account, £7.5m deposit account (increased from £1m and £5m respectively)

### **Financial Detail and Implications FIN/DD/17/20/TJB**

There will be an impact of these measures on our investment and borrowing budgets, and this will continue to be monitored.



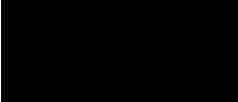
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Ian Knowles  
Head of Paid Service

As the Leader of the Council I have been fully consulted on this matter



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Leader of the Council

As the Chairman of the Governance and Audit Committee I have been fully consulted on this matter



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Chairman of the Governance and Audit Committee

Date all Members were notified of the decision: 3 April 2020