

**REPORT OF THE FINANCE & GENERAL PURPOSES COMMITTEE MEETING
HELD ON 19 NOVEMBER 2024 IN OLD MILL HALL, GROVE**

Present: Cllr C T McCarthy (Chairman) Cllr J Leggott
Cllr S K Dexter (Vice Chairman) Cllr F D Parnell
Cllr W R Ackers Cllr D Rolfe

In attendance: Mr Paul Ord (part meeting) – Quilter Cheviot Investment Management (via Zoom)

Clerk: Mr G M Mundy

1 Apologies for absence

Apologies for absence had been received from Parish Cllrs K Jones and J M Stock.

2 Declarations of Interest

Cllr Dexter declared an interest in Item 3 as he has personal dealings with Quilter Cheviot.

3 Mr Paul Ord of Quilter Cheviot (specialists in Investment Management)

Prior to Mr Ord joining the meeting Cllr Dexter explained his personal dealings with Quilter Cheviot.

He added that the Council has a policy in place and have taken decisions to invest with the CCLA for a period of 5 years in their Property Fund and shorter-term investments in their Deposit Account.

Cllr Parnell asked “what do we want Quilter Cheviot to do for us”? Cllr Dexter responded and said that there are many types of investments; bonds, government stocks, equities, US/UK/Worldwide equities, ethical as opposed to everything. He said that if we went with Quilter Cheviot, they would ask the Parish Council to identify what sort of risk the Council would be prepared to accept and if there were any other conditions and then they would take the money and invest it. They would formally report every quarter.

Cllr Dexter added by investing with other investment banks, the Parish Council would be spreading the risk, bearing in mind that cash deposits are only covered up to £80,000 per bank.

**Due to technical issues and connecting Mr Ord to the meeting,
therefore items 4 and 5 were taken out of order**

The Chairman welcomed Mr Ord to the meeting and apologised for the technical issues.

Mr Ord introduced himself and explained his role with Quilter Cheviot. He said that he was aware of a sum of money that the Council was considering investing. He said that his role is to work with local authorities to try and ensure that they get the best return for its investment.

He said that the Council will have to decide the amount monies to invest, the investment type i.e. commodities, stocks, equities etc, any ethical constraints and length of investment. He said then from that Quilter Cheviot will put together a portfolio of investment opportunities.

Mr Ord informed the committee that a percentage management fee is placed on the investment portfolio, the normal rate being a flat rate of 1%, however, because of the nature of the sector, Quilter Cheviot would offer a fee of 0.8% plus VAT. He added that the fee does tier down so the more you invest the lesser the fee.

The Chairman then offered members the opportunity to ask Mr Ord questions, following which the Chairman thanked Mr Ord for his patience and time. Mr Ord left the meeting.

Dexter/
Clerk Cllr Dexter suggested to the committee and it was agreed that he would be happy to prepare a proposal for Mr Ord to consider in liaison with the Clerk. Following a discussion, this was agreed. Cllr Dexter said that he will liaise with the Clerk to draft a proposal and bring back to this committee for agreement and then send to Mr Ord to prepare a Portfolio of Investment for consideration by Full Council.

4 Council's Treasury and Investment Policy

Following a discussion, it was **MOVED** Cllr Parnell **SECONDED** Cllr Dexter and **RESOLVED** unanimously

Clerk **“to recommend to Full Council that the Treasury and Investment Policy (as prepared by the Clerk) is adopted”**

5 Plan to take to Full Council on how to achieve 6 months-worth of General Reserves (£241,134) over a period of time

The Clerk informed the committee that Council policy states that it will hold 6 months-worth of funds (£241,134) in General Reserves at any one time and that is currently at £100,000 (excluding current years-budget).

The Clerk added that this is so the Council can still meet its financial obligations (staff salaries/utility invoices etc) should the Precept not be forthcoming from the District Council.

The Chairman asked members how we achieve this target. Cllr Dexter said the obvious way was to increase the Precept, and we would need to raise at least another £100,000. He said the Council has not yet agreed the timeframe in achieving this, but £20,000 over 5 years would raise £100,000, and any underspend from the budget could be added.

The Chairman asked about the interest generated from s106 monies received so far. The Clerk responded and said that he has forecast the interest generated will range from £10,000 to £16,000 per year.

Following a further discussion, it was **MOVED** Cllr Dexter **SECONDED** Cllr Leggott and **RESOLVED** 4 in favour and 2 against

“to add £20,000 to the committee budget to increase General Reserves over 5 years”

6 DRAFT budget for 2025-2026 as set by the Clerk

Following a discussion, it was **MOVED** Cllr Dexter **SECONDED** Cllr Ackers and **RESOLVED** unanimously

Clerk **“that it is recommended to Full Council that the DRAFT budget for 2025-2026 is set at £519,423”**

7 Confidential items

It was **MOVED** the Chairman and **AGREED** in accordance with Section 1 of the Public Bodies (Admission to Meetings) Act 1960, as amended by Section 100 of the Local Government Act 1972

“that the press and public be excluded from the meeting to permit the Council to consider the confidential items”

The meeting closed at 9.12pm

Confirmed: 3 December 2024

Chairman