

Agenda item no. 5 - Questions from Councillors

Question No.	Questioner	Question	Question to
PQ 1	Cllr David Hitchiner	The successful development of the wetland sites in the County provides for payment of cash by developers to ensure that the sites are maintained “in perpetuity”. The cash in the “Wetland Revenue Reserve” is currently over £1m. It would seem prudent for this cash to be invested to work harder for the projects than by earning deposit rate interest or being used to set off the Council’s borrowings. The risk of the current approach being that inflation will inevitably eat away at the “value” of the cash, resulting in a reducing capability to undertake maintenance work in the future. Will the Cabinet agree that full consideration should be given to the best way to protect this growing deposit, including the possibility of investing with a fund manager, and provide an appropriate report to members within the next three months?	Cllr Stoddart
Response: The council’s Investment Strategy is included within the Treasury Management Strategy approved by Council on 9 February 2024. The objective of the Investment Strategy is to ensure prudence is applied and risks are managed when the council holds surplus funds. Share portfolios are not an approved counterparty within this strategy. The wetlands remains an active project and income from phosphate credits will be managed to fund delivery of future phases over the next few years and maintain existing sites.			
Supplementary question: As far as I know the Treasury Management Strategy is not set in stone and can be amended at a Full Council meeting. I accept that there is insufficient time between now and the date of the Budget meeting on February 7th 2025 for proper consideration to be given to this issue. I therefore repeat my question slightly amended - Will the Cabinet agree that full consideration should be given to the best way to protect this growing deposit, including the possibility of investing with a fund manager, for incorporation, if appropriate, in the Treasury Management Strategy to be considered at the Council meeting in February 2026, and provide an appropriate report to members within the next three months? Keeping the money in cash, and setting it off against borrowings may be helpful to the Council in the short term, but as members will be aware, as with s106 monies, is not a protection against inflation.			

Supplementary response:

Thank you for your supplementary question. I can confirm that cabinet will consider this proposal and we will provide appropriate information within the next three months.