

Thurrock Borough Council

Finance Recovery Board

Minutes – 9:45am, Thursday 18 January 2024

MS Teams.

Attendees

Nicole Wood (NW) – Finance Commissioner (Chair)

Dr Dave Smith (DS) – Managing Director Commissioner, Chief Executive

Cllr Andrew Jefferies (AJ) – Leader of the Council

Cllr Graham Snell (GS) – Cabinet Member for Finance, Human Resources and Payroll

Cllr John Kent (JK) – Opposition Group Leader

Cllr Lynn Worrall (LW) – Opposition Group Deputy Leader

Steven Mair (SMa) – Acting Chief Finance Officer

Jonathan Wilson (JW) – Acting Director of Finance

Luke Tyson (LT) – Chief Intervention Officer

Rob Large (RL) – Programme Director, Asset Disposals

Keilah Gallardo (KG) – Business Support Officer, Chief Executive (minutes)

Patrick McDermott (PM) – Chief of Staff to the Commissioners

Mark Bradbury (MB) – Interim Director of Place

Lorraine Surrey (LS) – Senior Project Manager

Mark Bowen (MBo) – Deputy Monitoring Officer

Apologies

None.

1. Welcome and Introductions

2. Matters Arising

- 2.1. Minutes of the previous meeting were agreed.
- 2.2. The action log was reviewed and updated.
- 2.3. PM confirmed the Right to Buy letter would be sent out imminently, noting they were waiting for Department colleagues to approve.

3. Workstreams Update

- 3.1. Sma updated the Board on the progress of divestments. There will be further updates to members as more information becomes available. Sma updated the Board on the Financial Function Review.
- 3.2. LW asked for clarification on what divestment funds would be used for once in receipt of them. Sma noted that the money would first be prioritised towards paying off the Council's debt. Sma explained that the council has a number of advisor fees to pay. Sma confirmed there will be a report to Cabinet in February setting out the position.

Action: Circulate an update to FRB on DSG trajectory and potential risk of revenue pressures, following the Month 9 Monitor.

4. Investment Recovery and Litigation Update

- 4.1. Sma shared that regarding the litigation piece, there is a cost benefit analysis being undertaken. Sma confirmed that once this was completed, this would go to Overview and Scrutiny. Sma noted these papers would be public.

5. Asset Disposals

- 5.1. RL provided a summary of the latest Asset Disposals report, noting that three sales have had solicitors instructed with the intention for March completion. RL confirmed this timeframe would be on track to meet 2023/24 targets. RL specifically noted section 2.4 of the report, explaining there is work being done on the next tranche of properties. RL raised that there are properties due go to Cabinet for approval for June/July. RL confirmed with the Board this the forecast for 2024/25 was robust. There was a caution to the Board noting that figure may not reconcile because of the report being a snapshot of activity.
- 5.2. NW inquired about the move from portfolio, asking the level of influence from the market movement. RL noted that in terms of forecasting values, figures are based on high level reports from Avison Young. RL explained that figures are liable to change after properties are put on the market. RL did confirm that since June and July, the market remains relatively similar.
- 5.3. LT inquired what the risks were in achieving the profiled sales. RL confirmed that risks have been recognised, such as completion for projects taking longer than expected. RL explained this was due to taking more careful consideration and starting later than anticipated. RL noted that in terms of forecast, substantial assets would be St Chads and

financial investments; explaining that property transactions always carry risks of falling through.

- 5.4. LW asked whether the Investment Advisory Panel still meets regularly. SMa and MB clarified that the next meeting due in February.

Action: Circulate the TOR for the Investment Advisory Panel and confirm the members of the Panel and date of the next meeting.

6. Financial Modelling Review

- 6.1. SMa provided an update on the Financial Modelling Review, noting the model is one individual spreadsheet which has taken longer than anticipated. SMa raised that because of the way it has been prepared, there have been risks identified. SMa noted the appendix sets out principles and how things should be modelled in the future.
- 6.2. LT raised that if not already, financial model should link to and inform the development of the Corporate Plan and setting strategic priorities for the Council.
- 6.3. NW noted that there should be a third person to look over the Review. NW also suggested that there may be benefits in capturing the considerations in the workplan. SMa agreed and confirmed this would take place, with a meeting with LT to follow.

Action: Meet to discuss how the Financial Model will meet the policy and strategic planning needs of the council.

7. Items for next meeting

- Budget
- Overview of Commercial Advice

- 7.1. NW requested that a progress report for property go to FRB in February.
- 7.2. LW inquired whether there was to be another update on HRA and if the potential use of released funds would be announced. NW asked PM to inquire with the department the status of this. PM noted that the impact of these things is known, and Right to Buy conversations would potentially take longer.

8. Any other business

- 8.1. There being no other business, the meeting was closed.

Appendix I: Full Meeting Actions

Action: Circulate an update to FRB on DSG trajectory and potential risk of revenue pressures, following the Month 9 Monitor.

Action: Circulate the TOR for the Investment Advisory Panel and confirm the members of the Panel and date of the next meeting.

Action: Meet to discuss how the Financial Model will meet the policy and strategic planning needs of the council.