

**Cabinet 27<sup>th</sup> August 2024 - Public Questions and Answers**

<b>Name of person submitting</b>	<b>Questions</b>
<b>Paul Elstone</b>	<p>My questions relate to Agenda Item 5 Budgeting Monitoring Report plus appendices.</p> <p><b>Question 1</b></p> <p>The Capital Project Program, Appendix G, shows several Housing Development Scheme Projects. Line Item HRA 1009 is shown as Project 15 and a project having a total spend of £4.5 million. What exactly is Project 15?</p> <p><b>Response from the Cabinet Member for Governance, Finance and Risk:</b> School Close, Bampton.</p> <p><b>Question 2</b></p> <p>Can it be explained exactly what each one of the Housing Development Project numbers refer to as shown in Appendix G?</p> <p><b>Response from the Cabinet Member for Governance, Finance and Risk:</b> Once the project is confirmed, a fuller description will be used. Some of the future projects are a potential pipeline of developments which may never come to fruition.</p> <p><b>Question 3</b></p> <p>Going forward, and in the full interest of openness and transparency - not only for members of the public but perhaps for members of this Council as well, can <u>all</u> Housing Development Schemes be given their correct name such as Sycamore Road, Cheriton Fitzpaine or Fir Close etc. as opposed to just project numbers ?</p>

**Response from the Cabinet Member for Governance, Finance and Risk:**

See response to Q2.

**Question 4**

The General Fund Variance Analysis, Appendix B shows a major negative full year variance of £180,000. This in respect of a loss in interest payments.

Line GFb2 description says, '*Forecast investment income lower than budget due to reduced cash balances*'.

A loss of interest payments of £180,000 at current investment returns of around 5% is the equivalent to a reduction in the cash balance of over £3.4 million.

Of this reduction in cash balances of £3.4 million, how much is attributed to the 3 Rivers soft closure?

**Response from the Cabinet Member for Governance, Finance and Risk:**

We have had to reduce our cash balances and therefore investment funds will be reduced. This consequence of the soft closure of 3Rivers has been explained and agreed by the membership in a number of formal reports.

**Question 5**

If the reduction in cash balance has nothing to do with 3 Rivers, what is it due to?

**Response from the Cabinet Member for Governance, Finance and Risk:**

See response to Q4.

**Question 6**

The HRA Variance Analysis Appendix F similarly shows a major negative full year variance of £148,000

Line HRA1e description says, '*Forecast investment income lower than budget due to reduced cash balances*'.

A loss of interest payments of £148,000 at current investment returns of around 5% is the equivalent to a reduction in the cash balance of over £2.8 million.

Of this reduction in HRA cash balances of £2.8 million, how much is attributed to the 3 Rivers soft closure?

**Response from the Cabinet Member for Governance, Finance and Risk:**

See response to Q4.

**Question 7**

If the reduction in cash balance has nothing to do with 3 Rivers, what is it due to?

**Response from the Cabinet Member for Governance, Finance and Risk:**

See response to Q4.

**Question 8**

The £3.15 million paid for the five unsold Haddon Heights properties has now shown a loss of over £65,000 in investment interest income so far. Has this in any way been factored into these investment income losses?

**Response from the Cabinet Member for Governance, Finance and Risk:**

Yes, See response to Q4.

**Question 9**

If these losses of investment incomes relate to the 3 Rivers soft closure, then reasonably they should be accounted for in the true and cumulative 3 Rivers loss. Will they be?

**Response from the Cabinet Member for Governance, Finance and Risk:**

As the company is currently in operational dormancy prior to voluntary strike off and all assets have been sold or transferred to the Council, any future gains or losses will be borne by the Council.

**Question 10**

If not, why not?

**Response from the Cabinet Member for Governance, Finance and Risk:**

See response to Q9.