

Finance Sub-Committee

Agenda

Date: Tuesday, 27th July, 2021
Time: 10.00 am
Venue: Council Chamber, Municipal Buildings, Earle Street, Crewe
CW1 2BJ

PLEASE NOTE – This meeting is open to the public and anyone attending this meeting will need to wear a face covering upon entering and leaving the venue. This may only be removed when seated.

The importance of undertaking a lateral flow test in advance of attending any committee meeting. Lateral Flow Testing: Towards the end of May, test kits were sent to all Members; the purpose being to ensure that Members had a ready supply of kits to facilitate self-testing prior to formal face to face meetings. Anyone attending is asked to undertake a lateral flow test on the day of any meeting before embarking upon the journey to the venue. Please note that it can take up to 30 minutes for the true result to show on a lateral flow test. If your test shows a positive result, then you must not attend the meeting, and must follow the advice which can be found here:
https://www.cheshireeast.gov.uk/council_and_democracy/council_information/coronavirus/testing-for-covid-19.aspx

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and in the report.

It should be noted that Part 1 items of Cheshire East Council decision-making meetings are audio recorded and the recordings are uploaded to the Council's website.

PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. Apologies for Absence

To note any apologies for absence from Members.

2. Declarations of Interest

To provide an opportunity for Members and Officers to declare any disclosable pecuniary and non-pecuniary interests in any item on the agenda.

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3. **Minutes of Previous Meeting** (Pages 3 - 6)

To approve as a correct record the minutes of the previous meeting held on 1st July 2021.

4. **Exclusion of the Press and Public**

The reports relating to the remaining items on the agenda have been withheld from public circulation and deposit pursuant to Section 100(B)(2) of the Local Government Act 1972 on the grounds that the matters may be determined with the press and public excluded.

The Committee may decide that the press and public be excluded from the meeting during consideration of the following items pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 3 and 5 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

PART 2 – MATTERS TO BE CONSIDERED WITHOUT THE PUBLIC AND PRESS PRESENT

5. **Extra Care PFI Scheme Update**

The report will be distributed to individual members of the Finance Sub-Committee only.

6. **Proposed Shareholder Resolution**

The reports will be distributed to individual members of the Finance Sub-Committee only.

Membership: Councillors Quentin Abel, David Brown, Steven Carter (Vice-Chair), Janet Clowes, Stewart Gardiner, Brian Puddicombe, Steven Hogben, and Amanda Stott (Chair)

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Finance Sub-Committee**
held on Thursday, 1st July, 2021 at Council Chamber, Municipal Buildings,
Earle Street, Crewe CW1 2BJ

PRESENT

Councillor A Stott (Chair)
Councillor S Carter (Vice-Chair)

Councillors D Brown, J Clowes, S Hogben, B Puddicombe, P Groves (for Cllr Gardiner) and D Edwardes (for Cllr Abel)

Other Members present

Councillor B Evans

Officers

Alex Thompson, Director of Finance and Customer Services
Peter Skates, Director of Growth and Enterprise
Julie Gregory, Acting Legal Team Manager
Paul Mountford, Democratic Services

Apologies

Councillors Q Abel and S Gardiner

The Chair welcomed everyone to the first meeting of the Finance Sub-Committee under the Council's new committee system.

At the Chair's invitation, members of the Sub-Committee and officers introduced themselves.

1 DECLARATIONS OF INTEREST

There were no declarations of interest.

2 PUBLIC SPEAKING/OPEN SESSION

There were no public speakers.

3 ALIGNING THE MEDIUM TERM FINANCIAL STRATEGY (MTFS) TO THE COMMITTEE STRUCTURE

The Sub-Committee considered a report on the allocation of the approved capital and revenue budgets to each of the service committees. The report also set out details of the general and earmarked reserves, assumptions underpinning the MTFS, supplementary estimates requiring approval by the Sub-Committee or Council, and an outline of the new budgetary process, timeline and consultation arrangements.

Members welcomed the fact that sessions would be arranged for all members in advance of the wider consultation on the MTFS.

It was proposed that a task group be appointed to work with the finance team in reviewing the MTFS assumptions with a view to reporting back to the Sub-Committee in September. The task group would comprise up to three members, with the Chair or Vice-Chair taking the responsibility to report back to the Sub-Committee. A provisional date of 27th August at 11.00 am had been set for the task group's meeting.

Officers were asked to clarify the position as regards asset transfers. Officers advised that the Economy and Growth Committee on 15th July 2021 would be considering a revised asset transfer policy and framework for the Council. Specific asset transfer proposals may need to be considered by the Finance Sub-Committee in due course.

The Sub-Committee was asked to approve an amendment to the recommendations in the report to provide that the earmarked reserve for PFI Equalisation Reserve – Extra Care Housing should remain the responsibility of the Sub-Committee.

RESOLVED

That the Sub-Committee

1. approves the allocation of the capital and revenue budgets, policy proposals and earmarked reserves to the following Committees in accordance with the MTFS approved in February 2021, as set out in Appendix A to the report:

- Adults & Health
- Highways & Transport
- Children & Families
- Economy & Growth
- Environment & Communities
- Corporate Policy
- Finance Sub-Committee

subject to the following earmarked reserve remaining the responsibility of the Finance Sub-Committee:

PFI Equalisation Reserve – Extra Care Housing (£2.62m)

2. notes MTFS assumptions, set out in paragraph 5.10 and Appendix C;
3. notes the MTFS timelines, as set out in paragraphs 5.11 – 5.14;
4. approves the formation of a task group, to work with the finance team in reviewing the assumptions and to report on the outcomes to the

Finance Sub-Committee, the members of the task group to be as follows:

Councillor D Brown
Councillor S Carter
Councillor J Clowes

5. approves the supplementary estimates as set out in Appendix D and to notify the relevant committees; and
6. recommends to Council to approve:
 - fully funded supplementary estimates above £1,000,000 in accordance with Financial Procedure Rules as detailed in Appendix D - Table B.

4 COMMITTEE TRAINING

The Sub-Committee considered a proposed training programme which aimed at providing members of the Sub-Committee with an appropriate level of understanding of Local Government financing as it related to Cheshire East Council. A description of each subject area was set out in the report.

At the Chair's invitation, Councillor B Evans, a visiting member, asked if such training could be provided to all members of the Council. The Director of Finance and Customer Services undertook to take the matter away for consideration.

Members suggested that the training, if provided virtually, could be recorded and perhaps made available to other members.

The question was asked whether there should be named reserve members for the Sub-Committee who had received the required training. It appeared, however, that some groups had made their own informal arrangements whereby a member with relevant experience would substitute when required.

RESOLVED

That the proposed training programme for members of the Finance Sub-Committee be approved as follows:

- The Financial Management Code
- The Financial Cycle
- Revenue and Capital Financing
- Management of Reserves
- Treasury Management

5 WORK PROGRAMME

The Sub-Committee considered its work programme for 2021/22.

It was noted that at its next scheduled meeting on 2nd September 2021, the Sub-Committee would be asked to appoint a Shareholder Working Group. It was suggested that there would be merit in appointing the members of the former ASDV Shareholder Committee to the Working Group in view of their knowledge and experience. This would be considered further at the meeting in September.

With regard to a proposed report to the September meeting on Procurement Pipeline, the Director of Finance and Customer Services undertook to give members of the Sub-Committee early sight of the report. This could then be used to identify any further training needs.

RESOLVED

That the work programme be approved.

The meeting commenced at 2.00 pm and concluded at 3.05 pm

Councillor A Stott (Chair)