

Shareholder Working Group
Friday 10 February 2023, 1.30pm, Microsoft Teams
Minutes

PRESENT

Cllr S Corcoran (Chair)

Councillors D Jefferay, S Handley and L Smetham

IN ATTENDANCE

Alex Thompson, Director of Finance and Customer Services

Paul Goodwin, Head of Finance

Janet Witkowski, Head of Legal Services

Nikki Bishop, Democratic Services Officer

ALSO IN ATTENDANCE (item 4)

Cllr Joy Bratherton, Orbitas Chair

Kevin Melling, Managing Director

Mark Darbyshire, Chief Operating Office

Helen Green, Finance Business Partner

1.0 APOLOGIES

Councillor David Brown was not in attendance.

2.0 DECLERATIONS OF INTEREST

In the interest of openness, Cllr Smetham declared that she had previously held a Board Member position with Orbitas.

3.0 ASDV GOVERNANCE REVIEW – FEEDBACK FROM SHAREHOLDER WORKING GROUP WORKSHOPS

The Working Group considered the ASDV Governance Review – Feedback from Shareholder Working Group Workshops report. The report proposed a number of changes to the makeup of the ASDV Company Boards, immediate variations to the shareholder agreement, a further, more in depth review of the Shareholder Agreement and revised arrangements for the setting, management and reporting of risk and how this is controlled through consents, reporting and business planning.

Cllr Handley put on record her thanks to the late Cllr Steve Carter for all his efforts on bringing this work forward.

ACTIONS AGREED:

The Working Group agreed the report for onward journey to the Finance Sub Committee, subject to the following amendments being made:

1. Report to be amended to include reference to remuneration levels. It was agreed that there should be some level of remuneration for both the Elected Member and external industry specialist Director positions.
2. A recommendation to be included within the report which advises on the remuneration levels for the above-mentioned positions. It was proposed that this was between £5k-£10k and the individual companies would be responsible for agreeing the exact levels of remuneration within this range.
3. It was proposed that the role of 'Observer to the Board' (appointed from the Finance Sub Committee) is considered by the IRP for views on the level of remuneration that should be set.

4.0 ORBITAS BUSINESS PLAN

The Working Group received a presentation from representatives of Orbitas on the Orbitas Business Plan for 2023-25. An overview of the company's current position was provided along with aspirations for future direction, how Orbitas will get there and the anticipated outcomes. It was highlighted that the Business Plan was the first to be prepared since Orbitas was awarded its eight-year contract with the Council.

Key updates provided by Orbitas included:

- Orbitas highlighted how the last few years had been particularly challenging as a result of the COVID-19 pandemic and rapidly increasing demand for services, however, things had started to settle back down and Orbitas was in a much stronger position.
- In the time the company had been trading a strong and positive reputation has been developed.
- Handyman services received a lot of positive feedback.
- Every £1 spent by the Council, the Orbitas return is approx. £2.60.
- Healthy retained reserves - £386k – part of the Business Plan looks how this can be utilised in the future.
- Maintained Charter for the Bereaved 'Gold Award' status.
- Macclesfield second chapel – it was highlighted that there was very high demand for services in Macclesfield. The constraints related to the chapel slots that are available in the day. Opening a second chapel would allow up to 12-13 services to be undertaken each day. It was a key priority to get this project progressed.

The Working Group made the following comments:

- Concerns were raised in relation to the 'Handy-man' service which no longer included plumbers or electricians however this change had not been updated on the website. Members felt this wasn't good use of

residents' time nor Orbitas' time. Costs of the service were also queried. Kevin Melling confirmed that Orbitas aimed to offer value for money where possible.

- It was noted that the Business Plan referred to increased returns to Cheshire East by 44% which is positive, however members queried for more information around the efficiencies referenced within the report.
- Members queried pay increases for staff. Kevin Melling confirmed that this is in line with inflation. (really?)
- Members requested more detail around the Macclesfield Chapel project.

ACTIONS AGREED:

1. Kevin Melling to investigate concerns raised in relation to the handyman information on the website to ensure this is up to date.
2. Helen Green to provide a detailed breakdown of accounts (previous three years) to provide a fuller picture (including detail around figures for Director, Management and Administrative salaries and why the budget for 23/24 is 20% higher than 22/23 and income regeneration for Orbitas).
3. Kevin Melling to share the full Risk Register with the Working Group.