

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Finance Sub-Committee**
held on Wednesday, 1st September, 2021 in the 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 Gardiner, S Hogben, B Puddicombe and
M Goldsmith (for Cllr Abel)

OFFICERS

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

APOLOGIES

Councillor Q Abel

11 DECLARATIONS OF INTEREST

Councillor S Hogben declared an interest as a non-executive director of ANSA in relation to the minutes of the previous meeting and an item on the agenda relating to the appointment of a Shareholder Working Group. He indicated that he would be abstaining from any vote on those items.

12 PUBLIC SPEAKING/OPEN SESSION

There were no public speakers.

13 MINUTES OF PREVIOUS MEETING

RESOLVED

That the minutes of the meeting held on the 27th July 2021 be approved as a correct record.

14 TREASURY MANAGEMENT ANNUAL REPORT 2020/21

The Committee considered the Treasury Management Annual Report for 2020/21.

In response to questions from members, the Director of Finance and Customer Services advised that update reports on the Council's financial position in relation to Covid-19 would be submitted to the Corporate Policy Committee, Treasury Management policy reports would continue to come to the Finance Sub-Committee and any breaches of Treasury

Management policy would be reported to the Finance Sub-Committee and the Audit and Governance Committee.

RESOLVED

That the Treasury Management Annual Report for 2020/21 as detailed in Appendix A to the report be noted.

15 APPOINTMENT OF A SHAREHOLDER WORKING GROUP

The Committee considered a report on the appointment of a Shareholder Working Group.

The Working Group would be required to support the shareholder responsibilities of the Sub-Committee during October and November and report back to the Sub-Committee for decisions, as necessary, in November. The Sub-Committee was asked to approve the terms of reference of the working group and the arrangements for the appointment of its members.

RESOLVED

That the Sub-Committee:

1. approves the setting up of a Shareholder Working Group;
2. approves the Terms of Reference of the Shareholder Working Group as set out in Appendix 1 to the report, subject to the amendment of paragraph 2.1.1. to provide that the Working Group shall comprise 3-5 elected members of the Council on a politically proportionate basis with a quorum of 3 elected members;
3. appoints Councillor S Carter to chair the Shareholder Working Group; and
4. delegates responsibility to the Chair of the Shareholder Working Group to:
 - (a) appoint the other members of the Shareholder Working Group; and
 - (b) provide a report back to the Sub-Committee in November 2022 based on the work of the Working Group.

Note: prior to consideration of this matter, Councillor S Hogben sought an assurance that his directorship of an ASDV did not preclude him from speaking on the matter. The Legal Officer undertook to take the matter away for consideration and report back. In the circumstances, Councillor Hogben indicated that he would speak on the matter but would abstain from any vote.

Councillor S Gardiner placed on record that he was a former director of an ASDV which had been closed down.

Councillor D Brown placed on record that he had formerly been the Chairman of CERF.

16 **PROCUREMENT PIPELINE**

The Committee considered a report which provided an update on the pipeline of procurement activity to April 2024 and an update on the Contract Management System (Atamis). The report also confirmed the contracts awarded by the Council since April 2021 and reviewed the future reporting of contract Waivers to the Sub-Committee.

In response to members' questions, the Director of Finance and Customer Services advised that:

- Members were responsible for setting the policy and strategy framework for procurement and would have oversight of large procurements and procurements which had a significant impact on procurement policy.
- Whilst waivers would be reported to the Finance Sub-Committee in connection with the Sub-Committee's responsibility for oversight of the procurement process, the Audit and Governance Committee would maintain an assurance role which currently involved the review of waivers and non-adherence to contract procedure rules.

RESOLVED

That the Sub-Committee

1. notes the procurement pipeline of work;
2. notes the update on the Contract Management System and the improvements it will bring;
3. notes the contracts awarded by the Council since April 2021; and
4. approves that Waivers to Contract Procedure Rules will be reported to the Finance Sub-Committee as part of its responsibility for oversight of the procurement process, noting that the Audit and Governance Committee maintains an assurance role which currently involves review of waivers and non-adherence to contract procedure rules.

17 **MTFS ASSUMPTIONS FEEDBACK FROM WORKING GROUP**

The members of the Working Group reviewing the assumptions within the MTFS, Councillors S Carter and J Clowes, reported their findings and

recommendations. A transcript of their oral report was circulated at the meeting.

They concluded that the assumptions made in the MTFS were well made and based on similar assumptions that had proven to be accurate in the past. As such, they believed the assumptions to be sound and (subject to quarterly monitoring) did not recommend any changes at this time.

Arising from the review, the Working Group had made a number of specific suggestions:

- A report on discretionary relief within business rates alongside a wider review of the impact of business rates on the MTFS should be commissioned as part of the Sub-Committee's work programme.
- The Sub-Committee should review the projection for capital receipts, and their use. In this respect, it was noted that a report would be brought forward by the assets team in November.
- The Shareholder Working Group be asked to consider the issue of ASDV dividends and report back to the Sub-Committee.

The Chair thanked Councillors Carter and Clowes for their work on reviewing the MTFS assumptions.

RESOLVED

That

1. the Sub-Committee notes the Working Group's conclusion that the assumptions in the MTFS are sound and that (subject to quarterly monitoring) no changes are recommended at this time; and
2. a report on discretionary relief within business rates alongside a wider review of the impact of business rates on the MTFS be commissioned as part of the Sub-Committee's work programme.

18 CREWE TOWN CENTRE SUSTAINABLE HEAT NETWORK

The Committee considered a report which sought authority to utilise external funding from the Future High Streets Fund and the Public Sector Decarbonisation Scheme for the delivery of the sustainable heat network in Crewe town centre.

Members felt that it would be helpful to have some form of oversight of how decisions were made on the funding of such projects. The Director of Finance and Customer Services undertook to consider the matter and report back.

RESOLVED

That the Sub-Committee

1. approves the inclusion of the Crewe Town Centre Civic Heat Network capital project, with a total budget of £2.727m in the main capital programme; and
2. approves the alignment of the Capital Project for the Crewe Town Centre Civic Heat Network with the responsibilities of the Economy and Growth Committee.

Note: Councillor S Gardiner, as the Vice-Chair of the Strategic Planning Board, felt that he should not be present or take part in any discussion or voting on this matter on the basis that the Strategic Planning Board may at some future date be asked to consider a planning application which benefited materially from the project. He left the meeting before the matter was considered and was invited to return when the matter had been concluded.

19 WORK PROGRAMME

The Committee considered its work programme for 2021/22.

The Chair referred to the need for two all-member budget sessions to be scheduled for this year to discuss ideas for budget-setting. The dates identified for the sessions were: Tuesday, 21st September (3 – 5pm) and Monday, 27th September (2 – 4pm). The Chair would be issuing an invitation to all members.

The Director of Finance and Customer Services advised that an additional meeting of the Sub-Committee later in September was required to consider the Group Outturn report. The optional dates were: Wednesday, 22nd September (2pm) and Wednesday, 29th September (2pm). The Democratic Services Officer would consult members on these dates.

RESOLVED

That

1. the work programme be noted and approved subject to the inclusion of an item on discretionary relief within business rates alongside a wider review of the impact of business rates on the MTFS as agreed earlier in the meeting;
2. the dates for two all-member budget sessions be noted; and
3. the need for an additional meeting of the Sub-Committee in September to consider the Group Outturn report be noted.

The meeting commenced at 2.00 pm and concluded at 3.54 pm

Councillor A Stott (Chair)