

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Finance Sub-Committee**
held on Friday, 22nd March, 2024 in Committee Suite 1, 2 & 3, Westfields,
Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor N Mannion (Chair)
Councillor L Anderson (Vice-Chair)

Councillors D Brown, J Clowes, B Drake, R Kain, D Clark (for Cllr Wilson) and
S Edgar (for Cllr O'Leary)

OFFICERS

Alex Thompson, Director of Finance and Customer Services
David Brown, Director of Governance and Compliance
Paul Mountford, Democratic Services
Lianne Halliday, Head of Procurement
Deborah Upton, Senior Governance Lawyer
Richard Doran, Green Infrastructure Manager

APOLOGIES

Councillors C O'Leary and F Wilson

56 DECLARATIONS OF INTEREST

The Chair, Councillor N Mannion, declared a pecuniary interest in an item relating to Tatton Park Enterprises Ltd Contract Extension as a member of the Tatton Park Board.

Councillor L Anderson declared for the record that she had recently resigned as a Director of Orbitas.

57 MINUTES OF PREVIOUS MEETING

RESOLVED

That the minutes of the meetings held on 11th and 31st January 2024 be approved as a correct record.

58 PUBLIC SPEAKING/OPEN SESSION

There were no public speakers.

59 SERVICE BUDGETS 2024/25 (FINANCE SUB-COMMITTEE)

The Sub-Committee considered a report on the allocation of the approved budgets to each of the service committees, and the financial reporting cycle for 2024/25.

The Director of Finance and Customer Services advised as follows in response to members' questions and comments:

- Where there was a budget overspend or underperformance, officers would provide the relevant commentary and analysis, and highlight areas for decision.
- A standard format would be adopted for all service committees to ensure a consistent approach to managing budgets.
- A RAG rating would be provided for each policy change proposal; with red and amber ratings highlighting where decisions were required. The Director would consider the feasibility of incorporating RAG ratings into tables for committee reports.
- The chairs and/or lead officers of relevant service committees could be asked to attend Finance Sub-Committee meetings to discuss budget activity, mitigation and forecasts. This would be necessary if mitigation was not being contained within the individual committee as this could impact on General Reserves which were the responsibility of the Finance Sub-Committee.
- A planner view could be provided to assist members in understanding the interdependencies between committees.
- A report on Council Tax and Business Rates collection would be brought to the Sub-Committee's meeting in June 2024.

RESOLVED (unanimously)

That the Sub-Committee

1. approves the allocation of the revenue and capital budgets, budget change items and earmarked reserves to the following committees in accordance with the approved MTFS, as set out in Appendix A to the report:
 - Adults & Health
 - Children & Families
 - Corporate Policy
 - Economy & Growth
 - Environment & Communities
 - Finance Sub-Committee
 - Highways & Transport
2. approves that a report on the progress on delivery of the approved budget policy change items is included as a standing agenda item for each service committee meeting during the 2024/25 reporting year; and
3. notes the draft financial reporting timetable for 2024/25 set out in Appendix B.

60 CIPFA FINANCIAL MANAGEMENT CODE (FM CODE) PROGRESS UPDATE

The Sub-Committee considered an update report on the Council's progress in implementing the Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Management Code.

RESOLVED (unanimously)

That the Sub-Committee

1. notes the contents of the report and the self-assessment against the principles of the CIPFA FM Code;
2. notes the current re-assessment position in Appendix 2 – Cheshire East Council's current level of compliance with the CIPFA Financial Management Code Framework; and
3. agrees that two informal sessions be held in May/June for Finance Sub-Committee members to review the draft self-assessment, and a report be submitted to the June 2024 meeting of the Sub-Committee relating to the approval of the self-assessment and action/improvement planning.

61 CHESHIRE & WARRINGTON LOCAL ENTERPRISE PARTNERSHIP LTD - APPOINTMENTS TO COMMITTEES

The Sub-Committee considered a report on appointments to the new Cheshire and Warrington Joint Committee and related bodies.

Officers advised that the primary role of the Finance Sub-Committee would be to have oversight of the investment decisions by Enterprise Cheshire and Warrington.

RESOLVED

That the Sub-Committee

1. (by majority) agrees to appoint the Leader to be the Owner Member of the Joint Committee (Part One);
2. (by majority) agrees to appoint the Deputy Leader to be a member of the Joint Committee (Part Two) and to be the substitute for the Owner Member;
3. (by majority) agrees to appoint the Chair of the Finance Sub-Committee, or in his absence the Chair of the Environment and Communities Committee, to be the substitute member for the Joint Committee (Part Two);

4. notes that the Corporate Policy Committee will make the appointment to the director of Alderley Park Holdings Ltd;
5. agrees to appoint the Executive Director Place to the Cheshire & Warrington Development Fund (General Partner) Ltd;
6. (by majority) agrees to recommend to the Joint Committee that the Joint Committee fulfil the function of the Investment Committee; and
7. (unanimously) agrees that members of the Finance Sub-Committee should receive a briefing as soon as possible on all investments involving Cheshire East Council, including those of the LEP partnership, with a report back to the Sub-Committee's meeting in June 2024 to determine how the Sub-Committee's shareholder function is best carried out.

62 WORK PROGRAMME

The Sub-Committee noted the items currently scheduled for its next meeting in June, to which the following would now be added:

- CIPFA Financial Management Code - approval of the self-assessment and action/improvement planning
- Wholly-owned Companies
- The Finance Sub-Committee's oversight of its holdings
- Budget oversight report
- Council Tax and Business Rates collection

With regard to budget oversight, it was noted that the service committees would be receiving their first reports for the 2025 budget at their June meetings. The Finance Sub-Committee's meeting in June was currently scheduled for 11th June, before two of the service committees were due to meet. It was therefore suggested that the Sub-Committee's meeting be moved to a later date in June so that it was able to receive details of all the service committee budget proposals.

Looking further ahead, the Sub-Committee would receive a report on the transformation programme at its September meeting. This would provide an additional dimension to the budget planning process.

The work programme for 2024-25 would be presented for approval to the Committee's meeting in June.

RESOLVED

That

1. the work programme be noted; and

2. officers, in consultation with the Chair, identify a suitable alternative date for the Sub-Committee's meeting in June.

63 PROCUREMENT PIPELINE

The Sub-Committee considered an update report on the pipeline of procurement activity, the contracts awarded this fiscal year, and the number of cases where, and reasons why, procurement activity has required the use of waivers.

The detailed waiver and non-adherence referred to in the report would be considered in Part 2 of the meeting.

RESOLVED (unanimously)

That the Sub-Committee

1. approves the 1 pipeline project in Appendix 1 column H as business as usual;
2. notes the reason for 1 waiver approved between 1st January 2024 and 29th February 2024 (6 in total in 2023/24);
3. notes the reason for 1 non-adherence between 1st January 2024 and 29th February 2024 (1 in total in 2023/24);
4. notes the contracts awarded since April 2023, Appendix 2; and
5. notes the update on the public procurement legislation, Public Contract Regulations 2023.

64 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED (unanimously)

That the press and public be excluded from the meeting during consideration of the final item on the agenda pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1, 2 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972 and the public interest would not be served in publishing the information.

(At this point, the Sub-Committee adjourned for a 10 minute break.)

65 PROCUREMENT PIPELINE

The Sub-Committee considered details of the waiver and non-adherence referred to in the Procurement Pipeline report.

RESOLVED

That the details of the waiver and non-adherence referred to in the Procurement Pipeline report be noted.

66 TATTON PARK ENTERPRISES LTD CONTRACT EXTENSION

The Chair, Councillor N Mannion, declared a pecuniary interest in this item as a member of the Tatton Park Board and left the meeting prior to its consideration, vacating the chair. The Vice-Chair, Councillor L Anderson, chaired the meeting in Councillor Mannion's absence.

The Sub-Committee considered a proposal to extend the contract for catering provision at Tatton Park to Tatton Park Enterprises Ltd (TPE Ltd) for a period of 24 months effective from the 16th April 2024 to the 15th April 2026.

RESOLVED (unanimously)

That the Sub-Committee approves that the contract with Tatton Park Enterprises Ltd for the catering provision at Tatton Park be extended for a further two years from the 16th April 2024 to the 15th April 2026.

At the conclusion of this item, Councillor Mannion was invited to return to the meeting and resumed the chair.

67 PROGRESS UPDATE ON ANSA REVIEW

The Sub-Committee received a presentation summarising the findings of a recent review of Ansa.

RESOLVED

That the outcome of the recent review of Ansa be noted.

68 COMMERCIAL OPPORTUNITY - ANSA

The Sub-Committee considered a due diligence report in relation to a proposed commercial opportunity for Ansa.

RESOLVED (by majority)

That the Finance Sub-Committee approves the proposal that Ansa Environmental Services Ltd enter into the contract with a third-party Housing Association for a period of 4 years with the option to extend the contract for a further 2 years (by individual extensions of 1 year each).

The meeting commenced at 10.00 am and concluded at 1.50 pm

Councillor N Mannion (Chair)

