

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Finance Sub-Committee**
held on Wednesday, 2nd March, 2022 in the Committee Suite 1, 2 & 3,
Westfields, Middlewich Road, Sandbach CW11 1HZ

PRESENT

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

Councillors D Brown, J Clowes, D Edwardes (for Cllr Abel), S Hogben (for Cllr Puddicombe), N Mannion and K Parkinson (for Cllr Gardiner)

OFFICERS

Alex Thompson, Director of Finance and Customer Services
David Brown, Director of Governance and Compliance
Joanne Sutton, Acting Head of Integrated Commissioning
Lianne Halliday, Senior Manager - Procurement
Julie Gregory, Legal Team Manager
Helen Sefton, Business Rates Manager
Paul Mountford, Democratic Services

APOLOGIES

Councillors Q Abel, S Gardiner and B Puddicombe

50 DECLARATIONS OF INTEREST

Councillor S Hogben declared an interest as a non-executive Director of Ansa in relation to any relevant matters to be discussed in Part 2 of the meeting. He signalled his intention to leave the meeting at the end of the Part 1 business.

51 PUBLIC SPEAKING/OPEN SESSION

There were no public speakers.

52 MINUTES OF PREVIOUS MEETING

RESOLVED

That the minutes of the meeting held on 5th January 2022 be approved as a correct record.

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

The Sub-Committee considered a report on the allocation of the approved budgets to each of the service committees. The report also informed the financial reporting cycle for 2022/23.

The financial alignment of budgets to each Committee was set out in Table 1 of the report, with further details in Appendix A.

Since the report had been published, Council had approved amendments to the profiling of the capital programme and a Section 106 item which would be reflected in the allocations to committees.

It was noted that any implications for the Cheshire Pension Fund arising from recent international events would be considered by the Sub-Committee, if necessary by way of an urgent meeting.

With regard to the capital programme expenditure forecast for the Crewe Youth Zone, the Director of Finance and Customer Services clarified that the Council's contribution to the scheme was £2.2m.

RESOLVED (unanimously)

That the Sub-Committee

1. approves allocation of the capital and revenue budgets, policy proposals and earmarked reserves to the following Committees in accordance with the approved MTFS, as set out in Appendix A:
 - Adults & Health
 - Highways & Transport
 - Children & Families
 - Economy & Growth
 - Environment & Communities
 - Corporate Policy
 - Finance Sub-Committee
2. approves the supplementary estimates set out in Appendix B, Tables A and B;
3. recommends to Council to approve supplementary estimates over £1,000,000, set out in Appendix B, Table C; and
4. notes the financial reporting timetable for 2022/23 set out in Appendix C.

54 BUSINESS RATES BRIEFING

The Sub-Committee considered a briefing report which provided an overview of the Business Rates system and its impact on the MTFS. The report also provided an update on the Government's proposed review of Business Rates.

It was suggested that an item be added to the Sub-Committee's work programme to review discretionary reliefs.

The Director of Finance and Customer Services advised that officers were not yet in a position to report on the Council's proposed CARF scheme and that it may be necessary to approve the scheme under urgency provisions.

In response to a question about the timescale for the implementation of the Government's revisions to Business Rates, the Director advised that the Council was awaiting further details but that any changes would not come into effect before 2023/24.

RESOLVED

That the report be noted.

55 WORK PROGRAMME

The Sub-Committee considered its work programme for 2021/22, and items for the work programme for 2022/23.

The Chair advised that an item would be included on the work programme for a future meeting on Movements within the MTFs Reserve. She also undertook to speak to the Chair of the Environment and Communities Committee to request that a member of that Committee make a presentation to the Finance Sub-Committee on Section 106 Monies once the Committee's work on the matter was complete.

The following additional items were proposed for the next work programme:

- Business Rates Relief (as proposed earlier in the meeting).
- A general overview of the Reserves, including the size of the Reserves, flows in and out, and how the Reserves are used.
- An in-depth examination of a number of items within the Procurement Pipeline, provided that this was in accordance with the Sub-Committee's terms of reference. It was suggested that this work could be undertaken by a working group of the Sub-Committee; Councillors Carter and Clowes put their names forward for this.

RESOLVED

That

1. the work programme for 2021/22 be noted and the remaining items on the programme be carried forward to the new municipal year; and
2. the items identified by the Sub-Committee for inclusion in the work programme for 2022/23 be agreed.

56 **PROCUREMENT PIPELINE**

The Sub-Committee considered a report which provided an update of the pipeline of procurement activity.

A revised Appendix 1 setting out a procurement pipeline of activity was circulated at the meeting.

Details of all waivers, without any information redacted, would be presented to the Sub-Committee in Part 2 of the meeting as they contained commercially sensitive information and/or Officer Details.

In response to a question, the Director of Finance and Customer Services advised that over time the number of waivers should fall to pre-pandemic levels. He stressed, however, that waivers were a normal and necessary part of the Council's procedure rules in recognition of what the market could provide.

The Director also advised that the Council would have to consider the implications of the Integrated Care System for its procedure rules. Members would be advised further on this in due course.

RESOLVED (unanimously)

That the Sub-Committee

1. notes the procurement pipeline of activity in Appendix 1;
2. approves the 2 new pipeline projects in Appendix 1 as business as usual, column G;
3. notes the contracts awarded by the Council since April 2021, Appendix 2;
4. notes that all purchase card expenditure is now published on the Council's transparency pages, the latest information being for October – December 2021; and
5. notes the reason for 7 waivers approved between 1st December 2021 and 31st January 2022 (34 in total in 2021/22).

57 **EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED

That the press and public be excluded from the meeting during consideration of the following item 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, 3 and 5 of

Part 1 of Schedule 12A to the Local Government Act 1972 and the public interest would not be served in publishing the information.

Note: Councillor S Hogben, having made a declaration of interest at the start of the meeting, left at this point.

58 PROCUREMENT PIPELINE

The Sub-Committee considered details of the waivers referred to in the Procurement Pipeline report.

RESOLVED

That the details of individual waivers be noted.

59 EXTRA CARE HOUSING PFI SCHEMES

The Acting Head of Integrated Commissioning gave an oral update on renegotiations of the Cheshire Extra Care PFI contract. A briefing paper was shared with members at the meeting.

RESOLVED

That the update be noted.

60 PROPOSED SHAREHOLDER RESOLUTION

The Director of Governance and Compliance gave an oral update on this matter.

RESOLVED

That the update be noted.

The meeting commenced at 2.00 pm and concluded at 4.15 pm

Councillor A Stott (Chair)