

Finance Sub Committee

Tuesday, 4 October 2022

Present: Councillor D Cox (Chair)
Councillors T Neira, B Pickard, W Samuel and
T Mulvenna

Apologies: Councillor M Murphy

F9/22 Appointment of Substitute Members

Pursuant to the Council's Constitution the appointment of the following substitute member was reported:

Councillor T Mulvenna for Councillor M Murphy

F10/22 Declarations of Interest and Notification of any Dispensations Granted

There were no declarations of interest or dispensations reported.

F11/22 Minutes

Resolved that the minutes of the previous meeting held on 13 July 2022 be confirmed and signed by the Chair.

F12/22 2022/23 Financial Management Report to 31 May 2022

The sub-committee were presented with a report which had been considered by Cabinet on 1 August 2022 relating to the financial position of the Authority as 31 May 2022 in the context of its policy priorities set out in Our North Tyneside Plan.

Members of the sub-committee questioned the value of scrutinising the contents of the report when a further financial management report setting out the Authority's financial position as 31 July 2022 had been published and considered by Cabinet on 21 September 2022. The latest report included significant new information in relation to income from school meals and parking. It also indicated that the mitigating measures currently in place to address financial pressures may not be sufficient to bring the General Fund budget in on target and so the Authority would have to consider further actions. Members were of the view that such information ought to be presented to the sub-committee at the earliest opportunity.

Officers explained that this anomaly was due to the postponement of the sub-committee meeting which had originally been scheduled to have taken place on 13 September 2022. The sub-committee discussed the value of examining the report at this time and considered options for scheduling future meetings so that it would receive the most up to date information and allow effective scrutiny.

It was **agreed** that (1) the sub-committee do not examine the Financial Management Report to 31 May 2022;
(2) the Financial Management Report to 31 July 2022 be submitted to the next meeting of the sub-committee to be held on 15 November 2022; and
(3) the Chair and Deputy Chair of the sub-committee, in consultation with relevant officers, review and, if necessary, reschedule the dates of future meetings to ensure that it receives the Financial Management Reports as soon as is practicable.

F13/22 Section 106 Agreements - Overview and Update on Spend and Project Delivery

The sub-committee received the latest in a series of reports setting out details of the current balances, commitments and spend in relation to Section 106 agreements.

The Authority had the power under Section 106 of the Town and Country Planning Act 1990 to require developers to make financial contributions towards the delivery of a range of services including highways, affordable housing, sport and leisure facilities, health services and play sites where these contributions would make a development proposal acceptable in planning terms and mitigate the impact of the development on an area.

The sub-committee welcomed the report which had incorporated the details it had requested at its meeting in July 2022. It was suggested that this information ought to be shared with all members of the Council as it was likely to be of interest to them. Members also asked that further reports be submitted to each meeting of the sub-committee, that future reports include values of amounts partially committed, details of the triggers for payment of contributions and a briefing explaining the background and processes associated with Section 106 agreements.

The sub-committee concluded from the reporting that some areas of spending, for example sports facilities, were better at committing resources to specific projects than others such as transport provision. Members commented that at a time of financial pressures and limited resources it was more important than ever that income obtained from Section 106 agreements was not seen as being hoarded but used as soon as possible.

It was **agreed** that (1) that the current balances, commitments and spend in relation to Section 106 agreements be noted and circulated to all members of the Council for information;
(2) the sub-committee receive a further update on the Section 106 agreement balances, commitments and spend at each future meeting; and
(3) future reports include the values of amounts partially committed, details of the triggers for payment of contributions and a briefing explaining the background and processes associated with Section 106 agreements.

F14/22 Exclusion Resolution

Resolved that under Section 100A(4) of the Local Government Act 1972 (as amended) and having applied a public interest test as defined in Part 2 of Schedule 12A of the Act, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

F15/22 Business and Technical Partnerships Risks

The sub-committee considered a report that detailed the monitoring on the risks rated as high within the Strategic and Operational Risk Registers of the Business and Technical Partnerships with Equans and Capita.

It was **agreed** that (1) the Strategic and Operational Risk Registers of each partnership be noted; and
(2) the Director of Resources provide members of the sub-committee with a written response to a query raised at the meeting and, if necessary, ask officers from the relevant service area to attend a future meeting to respond.