

# Eden District Council

## Finance Scrutiny Committee Minutes

**Date: 12 July 2022 Venue: The Council Chamber, Town Hall, Corney Place, Penrith, CA11 7QF Time: 6.45 pm**

### Present:

Chair: Councillor P Dew  
Vice Chair: Councillor D Ryland  
Councillors: G Nicolson OBE R Burgin  
N McCall S Lancaster  
Standing Deputies: Councillor D Holden  
Officers Present: Paul Sutton, Interim Director of Resources  
Greg Macdonald, Interim Economic Development Manager  
Democratic Services Officer: Ian Bonfig

### FSc/1/7/22 Apologies for Absence

Apologies for absence were received from:  
Councillor Wicks  
Councillor Baker – deputised by Councillor Holden

### FSc/2/7/22 Minutes

Proposed by Councillor Burgin  
Seconded by Councillor McCall

and **RESOLVED** that the minutes FSc/27/2/22 to FSc/36/2/22 of the meeting of this committee held on the 8<sup>th</sup> February 2022 be confirmed and signed as correct record of those proceedings.

### FSc/3/7/22 Declarations of Interest

There were no declarations of interest received.

### FSc/4/7/22 Terms of Reference and Proposed Business for the Municipal Year 2022/23

Members considered the report DoR54/22 of the Interim Director of Resources, which sought to set out the Finance Scrutiny Committee's Terms of Reference and highlight the proposed business for the Committee for the municipal year 2022/23.

The report was introduced by the Interim Director of Resources who outlined that the terms of reference are unchanged, but that the substantive, scrutiny role of the budget would now be undertaken by the new Westmorland and Furness Council.

Proposed by Councillor Burgin  
Seconded by Councillor McCall

and **RESOLVED** that the contents of the report be noted.

## **FSc/5/7/22 Inspiring Eden Update**

Members considered the report DCE40/22 of the Assistant Director Development, which sought to provide an update to the Finance Scrutiny Committee regarding the Inspiring Eden Project.

The report was introduced by the Interim Economic Development Manager who provided an overview of the Inspiring Eden Work Programme which had previously gone to the Cabinet, as well as an update regarding the Council's Levelling Up Fund (LUF) bid and the work on the investment plan for the Shared Prosperity Fund.

A Member enquired whether the prospectuses were available of the four work streams and when the investment plan would be published for the Shared Prosperity Fund's submission on the 1<sup>st</sup> August 2022. The Interim Economic Development Manager advised that they were available in draft form and had been sent out for consultation and would be published in the coming weeks. The investment plan would encompass a range of interventions and was currently being worked upon with strategic partners and should be available towards the end of July 2022.

A Member enquired whether the approximately £ 2 million drawdown submissions pertained to Eden and how would it impact Eden when the Council ceased to exist on the 1 April 2023. The Interim Economic Development Manager advised that each of the three Councils (Eden, South Lakeland and Barrow) would be given an allocation. The three Councils would continue to work on the combined programme with some projects specific to Eden and other work being joint across the three Councils.

A Member enquired whether the funding was split between capital and revenue expenditure and if so, how it was split. The Interim Economic Development Manager clarified that there was a split; the Shared Prosperity Fund could be both, depending on the interventions chosen, whereas the LUF bid proposals including the Inspiring Eden Enterprise Hub was primarily capital expenditure and, the Inspiring Eden Programme was a bit of both. The Interim Economic Development Manager undertook to provide a written response to set out how the funds were split between revenue and capital, and the sources of funding. The Member further enquired, whether the bid funding was guaranteed, the Interim Economic Development Manager advised that the funding was not guaranteed due to competition within the bidding process. The Member requested that the distinction between funding that is guaranteed and funding that isn't be included in the response regarding capital and revenue expenditure.

The Member questioned why there had been no Member briefings regarding processes and planning. The Interim Director of Resources advised that the matters have been brought to the various Committees of Council and that there had been no requests for a group to be

setup regarding Inspiring Eden. A Member advised that while they had approved the budget for Inspiring Eden they had had no input on the Inspiring Eden Enterprise Hub (IEEH). The Interim Economic Development Manager advised that when the various options had been considered by the Council's partners the IEEH was the only project that met the criteria for a successful bid.

A Member enquired whether the Levelling Up Fund bid had been submitted by the deadline as stated in the report. The Interim Economic Development Manager clarified that due to problems with the government online portal the bid had not been submitted, although it was ready to do so. The Member enquired further who the strategic partners were that were engaged on the work of the plan. The Interim Economic Development Manager, advised that there was ongoing dialogue with the partners, including those in Penrith, about the opportunities presented by the bid. The Interim Director of Resources clarified that there is a process where expressions of Interest are received and evaluated according to the criteria of the fund and that a choice is then made on that basis.

A Member enquired whether they were satisfied that the bid met the criteria of the fund. The Interim Economic Development Manager advised that the bid fulfils the rural agenda and serves to act as a hub for opportunities that would feed into the Penrith Town Centre. The Interim Director of Resources advised that the MP signed the project off after vetting the proposals' vigour and that the proposal was therefore cross-party.

A Member enquired with regard to the site of the IEEH how planning permission would progress from Eden into the new Westmorland and Furness Council, further whether the land use would allow for the proposal on the site and finally, does the two acres encompass the whole or part of the site and if the latter what would go alongside it. The Interim Director of Resources advised that it would be incumbent on the new authority to ensure that it continued with the planning process, regardless of whether Eden is the developer of the site or not. The Interim Economic Development Manager added that the whole site is about 18 acres in size, with two acres for the proposal, the land has an approved B1 land use.

A Member enquired whether any traffic impact assessments had been carried out at the site with regards to the excess usage? The Interim Economic Development Manager advised that it would form part of the movement analysis and that Junction 41 is relatively underused.

A Member enquired whether the project would not be a repetition of the New Squares project. The Interim Economic Development Manager advised that the enterprise hub would focus on getting the correct operator that would be incentivised to ensure that the hub was operated both efficiently and profitably.

Proposed by Councillor Ryland  
Seconded by Councillor Lancaster

and **RESOLVED** that the Finance Scrutiny Committee recommends to Cabinet that a set of briefings to all Members be instituted as a matter of priority with regards to the Inspiring Eden Project.

Proposed by Councillor Holden  
Seconded by Councillor Burgin

and **RESOLVED** that the contents of the report be noted.

## **FSc/6/7/22 Local Government Reorganisation (LGR) – Finance Theme Update**

Members considered the report DoR56/22 of the Interim Director of Resources, which sought to update the Finance Scrutiny Committee on the current position and proposals for the finance theme of Local Government Reorganisation.

The Interim Director of Resources clarified that as the information on the blueprints did not impact on the work of the various District Councils they would not be shared with them. Further that the finance team would produce the aggregated and disaggregated budgets for the current and new authority.

A Member enquired about the difference between Westmorland and Furness and Cumberland Councils, with the latter utilising task and finish groups and the former, member briefings. The Interim Director of Resources advised that each Council chose their methodology based on their unique set of characteristics i.e. distinct demographics and population distribution.

Proposed by Councillor Nicolson  
Seconded by Councillor Ryland

and **RESOLVED** that the contents of the report be noted.

## **FSc/7/7/22 Gazprom Update**

Members considered the attached report DoR53/22 of the Interim Director of Resources, which sought to update the Finance Scrutiny Committee on the position regarding the Council's contract with Gazprom and present the latest on the changes in ownership and control within the company.

The Interim Director of Resources clarified that the Council sought to clarify the legal position of exiting the contract prematurely. This would have resulted in the Council being in breach of the contract and incurring additional excessive costs. The contract is therefore ongoing; noting the structural changes to the ownership of the supplier as outlined in the report.

A Member enquired whether the continuation of the contract was in violation of sanctions. The Interim Director of Resources advised that the government had introduced a statutory instrument for the procurement process which would allow the Councils to accept bids which weren't necessarily the cheapest further that no explicit response on the question of sanctions had been provided.

Proposed by Councillor Nicolson  
Seconded by Councillor Burgin

and **RESOLVED** that the contents of the report be noted.

## **FSc/8/7/22 Work Programme 2022/23**

Members considered the report DoR55/22 of the Interim Director of Resources, which sought to consider and approve the Finance Scrutiny Committee's work programme 2022/23.

Proposed by Councillor McCall  
Seconded by Councillor Ryland

and **RESOLVED** that the contents of the report be noted and that the Finance Scrutiny Committee's work programme 2022/23 be approved.

## **FSc/9/7/22 Any Other Items Which the Chair Decides are urgent**

There were no other urgent items of business.

## **FSc/10/7/22 Date of Next Scheduled Meeting**

The date of the next meeting of the Finance Scrutiny Committee was confirmed as Tuesday, 13<sup>th</sup> September 2022 at 6:45 PM.

The meeting closed at 8.31 pm

.....