

## **VIRTUAL MEETING OF EXECUTIVE**

**24 APRIL 2020**

### **EXECUTIVE MEMBERS PARTICIPATING**

Leader of the Council (Councillor A. Western)(in the Chair),  
Executive Member for Children’s Social Care (Councillor C. Hynes),  
Executive Member for Ault Social Care (Councillor J. Harding),  
Executive Member for Communities and Partnerships (Councillor G. Whitham),  
Executive Member for Culture and Leisure (Councillor E. Patel),  
Executive Member for Environment, Air Quality and Climate Change (Councillor S. Adshead),  
Executive Member for Finance and Investment (Councillor T. Ross),  
Executive Member for Health, Wellbeing and Equalities (Councillor J. Slater),  
Executive Member for Public Safety, Governance and Reform (Councillor M. Freeman).

Also virtually participating: Councillors Brophy, Coggins, Evans and Myers.

Officers virtually in attendance:

Chief Executive (Ms. S. Todd),  
Corporate Director, Finance and Systems (Ms. N. Bishop),  
Corporate Director, Governance and Community Strategy (Ms. J. Le Fevre),  
Governance Officer (Mr. A. Murray),  
Governance Officer (Mr. J.M.J. Maloney).

### **APOLOGIES**

Apologies for absence were received from Councillor J.A. Wright.

### **127. DECLARATIONS OF INTEREST**

No declarations were made by Executive Members.

### **128. FINANCIAL IMPLICATIONS OF COVID 19**

The Corporate Director, Finance and Systems submitted a report, introduced by the Executive Member for Finance and Investment, which set out the high level financial implications of the COVID-19 virus and its potential impact on the 2020/21 and later years’ budgets. The report covered the nature and application of interim support received from the Government, and the key impacts on the current budget arising from both additional expenditure and reduced income. The current estimate was for a net shortfall of £25 million in the current year and at least £20 million in 2021/2.

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An opportunity was provided for Members to raise questions on the report's content. These centred on the balance between emergency support for social care as opposed to other service areas; processes for ensuring that local businesses were aware of the support available; potential staffing implications for the Council's functions; longer-term issues associated with support provided to the Trafford Leisure company; and analysis of income reduction in relation to car parking charges. On the latter, it was indicated that further detail would be provided outside the meeting; and all Members were invited to assist with identifying additional parties who might be eligible for support but not yet in receipt of it.

It was noted that the Council was intending to lobby Government further to seek additional support in relation to the estimated shortfalls; and Members' thanks were accorded in particular to the Finance and Business Growth teams for their recent input.

RESOLVED – That the content of the report be noted.

## **129. URGENT BUSINESS (IF ANY)**

### (a) Councillor Sue Murphy (Manchester City Council)

The Leader of the Council referred with sadness to the recent announcement of the death of Councillor Sue Murphy, who had served for a lengthy period as Deputy Leader of Manchester City Council.

### (b) Tony Lloyd, M.P.

The Leader of the Council advised Members that Tony Lloyd, former M.P. for Stretford and currently for Rochdale, who had been seriously ill from Covid-19, had been discharged from intensive care, and was understood to be making a good recovery.

[Note: It was agreed that these items be reported as urgent business in order for timely notification to be given to Members.]

## **130. EXCLUSION RESOLUTION**

RESOLVED - That the public be excluded from this meeting during consideration of the remaining items on the agenda, because of the likelihood of disclosure of "exempt information" which falls within one or more descriptive category or categories of the Local Government Act 1972, Schedule 12A, as amended by The Local Government (Access to Information) (Variation) Order 2006, and specified on the agenda item or report relating to each such item respectively.

## **131. STRATEGIC INVESTMENT**

The Leader of the Council submitted a report presenting for the Executive's consideration a proposed strategic investment decision, made in the context of the current Covid-19 pandemic emergency, and designed to support the financial position of both the Council and the wider city region. The importance was emphasised to Members of the need for particular confidentiality, in respect of commercial and legal considerations; and a prior briefing had been held for Members across political groups, given the significance of the proposal, to ensure that they were fully briefed on the background and key issues, under similar conditions of confidentiality.

Further to a range of other issues discussed in detail at the prior briefing, an opportunity was provided for Members to raise additional queries, which related to the status and nature of the interests of other parties linked to the proposed investment, potential business rates implications, and considerations of financial and broader sustainability issues. On the latter point, the Leader of the Council agreed that he would be happy to press for a detailed briefing to be provided to investors in due course.

### **RESOLVED -**

- (1) That, in accordance with paragraph 4(1) of the Council's Budget and Policy Framework Rules as set out in Part 4 of the Council's constitution, and having consulted with the relevant statutory officers and obtained the agreement of the Chair of the Scrutiny Committee, this matter be considered to be urgent, in that any delay caused by the key decision and call-in processes would seriously prejudice the legal or financial position of the Council or the interests of the residents of Trafford.
- (2) That approval be given to the proposed arrangements to provide investment by way of shareholder loans alongside the other shareholders as more particularly set out in the body of this report.
- (3) That the increase be approved in the capital budget of £12.95m to be funded through prudential borrowing.
- (4) That approval be given to the Council entering into a legally binding letter of commitment alongside the other shareholders as set out in the report.
- (5) That authority be delegated to the Chief Executive in consultation with the Corporate Director of Finance and Systems, Corporate Director of Governance and Community Strategy and Executive Member for Finance and Investment to negotiate and finalise the detailed funding package including the letter of commitment, shareholder loan, as outlined in the body of the report together with any other necessary ancillary documents or agreements to effect the transaction.

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- (6) That authority be delegated to the Chief Executive, Corporate Director of Finance and Systems and Corporate Director of Governance and Community Strategy to approve the detailed arrangements for, and terms of, the letter of commitment, the shareholder loans as outlined in the body of the report together with any ancillary documents or agreements to effect the transaction.
  - (7) That authority be delegated to the Corporate Director of Finance and Systems to approve the detailed accounting arrangements for the loan, including the classification between revenue and capital.
  - (8) That authority be delegated to the Corporate Director of Governance and Community Strategy to authorise the execution and completion of the letter of commitment and Shareholder Loan documentation (and any other necessary ancillary documents or agreements) to put into effect the above recommendations and the proposals as set out in the report.

The meeting commenced at 10.00 a.m. and finished at 10.55 a.m.