

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Corporate Scrutiny Committee**
held on Wednesday, 15th September, 2010 at The Bridestones Suite -
Congleton Town Hall

PRESENT

Councillor A Thwaite (Chairman)
Councillor J Narraway (Vice-Chairman)

Councillors D Brickhill, J Crockatt, M Davies, P Edwards, P Findlow,
D Topping and A Ranfield (substitute)

Apologies

Councillors G Baxendale, S Conquest and H Davenport

43 DECLARATIONS OF INTEREST

44 OFFICERS PRESENT

Arthur Pritchard	Asset Manager
Lisa Quinn	Borough Treasurer
Vivienne Quayle	Head of Policy and Performance
Mark Nedderman	Senior Scrutiny Officer
Charlie Wileman	Property Information Manager
Janet Ellison Jones	Category Manager

45 MINUTES OF PREVIOUS MEETING

RESOLVED –

- (a) That subject to the date being amended to read 18 June 2010 in the second paragraph in minute 29, the minutes of the meeting of the Committee held on the 12 July 2010 be approved as a correct record;
- (b) That subject to the name of Councillor H Murray being added to list of Members present as substitute, the minutes of the meeting of the Committee held on 26 August 2010 be approved as a correct record.

46 PUBLIC SPEAKING TIME/OPEN SESSION

There were no members of the public present who wished to make a statement.

47 WORK PROGRAMME PROGRESS REPORT

The Committee considered a report of the Borough Solicitor setting out the 2010/2011 work programme.

The Committee was reminded that at its meeting held on 12 July 2010, it had indicated that it wished to set up Task and Finish groups in relation to the following items:

- ICT harmonisation
- Outsourcing of discretionary leisure facilities
- Assets

In connection with the ICT harmonisation group the Chairman recommended to the Committee that this should now be undertaken by a more informal monitoring group.

The report to Cabinet concerning the outsourcing of discretionary leisure facilities was now expected to be considered in October. There was a separate item on the agenda regarding the future management of the Crewe Lyceum Theatre and Knutsford Cinema. Likewise, there was a presentation on today's agenda on the asset challenge.

The Committee considered whether the item relating to Local Transport Liaison and Local Highways Committees should be pursued and the Chairman undertook to write to the Environment Portfolio Holder to seek clarification about whether there were any plans to reconsider proposals to introduce formal committees to allow Members to be involved in local highway and transportation issues.

The Committee then reviewed items within the work programme that still required dates for completion.

RESOLVED –

- (a) That the report be received;
- (b) That the work programme items listed below be allocated the following completion dates:
 - Outsourcing of discretionary leisure facilities consideration of Cabinet report– 12 October 2010 (provisional)
 - Communications service – presentation 12 October 2010
 - Procurement – presentation including competitive dialogue 12 October 2010
 - Shared Services – presentation 12 October 2010

48 ICT HARMONISATION MONITORING GROUP

The committee considered putting in place arrangements to monitor the ICT harmonisation proposals outlined by the ICT Manager at the meeting of the committee held on 12 July 2010.

Members agreed to focus attention specifically on the proposed Macclesfield Technical Centre. The Committee also indicated that it favoured a 'light touch' approach involving a small number of Members who would be given responsibility to monitor progress and report back to this Committee as and when required throughout the harmonisation process.

RESOLVED – Councillors J Narraway and M Davies be appointed as members of the ICT Harmonisation group, and the Senior Scrutiny Officer be requested to

write to the Committee to ascertain whether any other Members would like to join the group.

49 PROCUREMENT OF UTILITIES

Janet Ellison-Jones attended the meeting and gave a presentation on Energy procurement in Cheshire East. The Council currently had joint contracts with Cheshire West and Chester for electricity and gas supplies and these were in place until 30 June 2011. The Council was considering moving away from a traditional fixed price contract to a more flexible, aggregated, risk managed energy procurement through a Central Purchasing Body (CPB)

The benefits of using this method would mean that the Council would have budget certainty with a published capped price, which would be the maximum amount the Council would pay for 12 months (April to March). An added benefit would be that if prices fell, trading gains would be secured.

The next steps in the process were to secure CMT and Cabinet approval. This would be followed with a consultation process with schools.

RESOLVED – That the presentation be noted.

50 ASSETS

Arthur Pritchard Assets Manager and Charlie Wileman – Property Information Manager attended the meeting and gave a presentation on the Asset Management and in particular provided a demonstration of the Council's Property Information System .

RESOLVED – That consideration of this matter be deferred to a special meeting of the Committee on a date to be confirmed.

51 CREWE LYCEUM THEATRE AND KNUTSFORD CINEMA

Guy Kilminster Head of Health and Wellbeing updated the committee on the report expected from Consultants on the future management of the Lyceum Theatre Crewe and Knutsford Cinema. The report, which was due to be received by the Council next week was expected to contain a number of options for the Council to consider, ranging from in house provision to various external options, including trusts. The report would also address the financial implications for the Council and implications for current and future customers, users, and staff. The Portfolio Holder was expected to refer the report to this Committee at its next meeting on 12 October 2010.

RESOLVED –That arrangements be made for a committee site visit to Crewe Lyceum and Knutsford cinema, and the Health and Wellbeing Portfolio Holder be requested to refer the consultants report to this committee as soon as possible.

52 CAPITAL STRATEGY

Lisa Quinn, Borough Treasurer updated the committee on the Capital Strategy. The Capital Strategy set out Cheshire East's approach to capital investment and disposals and how it made decisions in respect of all types of capital assets. The document linked closely with the Council's Corporate Asset

Management Plan (AMP) and showed how the Council was prioritising, targeting and measuring the performance of its limited capital resources so that it maximised the value of that investment to support the achievement of its key cross-cutting activities, initiatives and local and national priorities.

The Capital Strategy was intended to:

- Ensure that the investment of capital resources contributed to the achievement of the authority's key objectives and priorities that were detailed in their community plans and strategies
- Influence and encourage partnership working, both locally and nationally
- Reflect the visions and aspirations of local people for service delivery and recognise the potential for others to contribute ideas and resources
- Determine priorities between the various services and look for opportunities for cross-cutting and joined-up investment
- Encourage improvement and innovation in asset use, procurement and disposal
- Ensure revenue, capital and whole life costs were fully considered
- Describe how the deployment of capital resources contributed to the achievement of the described goals
- Encourage the consideration and use of a wide range of funding sources
- Promote, in conjunction with the AMP, corporate ownership and prudent consideration of property issues.

The Capital Strategy set out:

- The link to key corporate documents, in particular the Corporate Plan, Sustainable Community Strategy, Local Transport Plan, ICT Strategy, Procurement Strategy, Housing Strategy, Economic Development Strategy and the Asset Management Plan.
- How the authority's plans were influenced by partners, and details of key partners
- How capital schemes were identified to meet those priorities
- How the choice was made between schemes competing for limited resources
- The framework for managing and monitoring the capital programme
- The process for post implementation review
- A summary of the Council's approved Capital Programme
- Sources of external funding and the impact of the programme on the revenue budget

The Capital Strategy formed an integral part of the Council's Medium Term Financial Strategy which provided the financial interpretation of the Council's Corporate Plan.

RESOLVED – That the update be received and noted and that a standard item be included on all future agendas of this committee.

53 PROJECTED OVERSPEND

Lisa Quinn the Borough Treasurer reported on the details of the quarter 1 projected overspend which was reported to Cabinet in August 2010. The worst case scenario pointed to a potential overspend of £13.6million. The most significant pressure related to the Children's and Adult Services.

The overall level of projected service overspending was significant, and extensive remedial measures and actions would need to be taken to drive this down towards a balanced outturn position wherever possible.

The 2010-11 budget contained a central inflation contingency provision of £1.6m to cover in-year increases in prices during the year.

Further work would be undertaken to review corporate budgets, central provisions, earmarked reserves and the potential overall impact on general balances, and reported to Members in September, alongside the remedial action plans.

RESOLVED – That the report be received.

54 NEW EXECUTIVE ARRANGEMENTS

The Senior Scrutiny Officer informed the Committee that Members would be given an opportunity at the next meeting of this Committee to comment upon a report due to be considered by the Constitution Committee on the Local Government and Public Involvement in Health Act 2007. This act required local authorities to choose one of two new models of executive leadership: either a directly-elected Mayor and Cabinet, or a strong Leader and Cabinet style of governance. The report would, amongst other things, also explain arrangements for the election of mayors.

RESOLVED – That a report be submitted on the new Executive arrangements to the next meeting of the Committee on 12 October 2010.

55 HIGHWAYS TRANSFORMATION CALL-IN

The Senior Scrutiny Officer informed the committee that the Highways Transformation Sub-committee had referred to Cabinet, the advice given to it by this committee following the meeting of this committee on 26 August. However, the Sub- committee had immediately agreed to open dialogue with the Corporate and Environment and Prosperity Scrutiny committees by setting up a monitoring group consisting of 3 Members from each committee.

RESOLVED – That Councillors J Narraway, P Edwards and D Brickhill be appointed as this Committee's representatives on the Highways Contract Monitoring Group.

56 FORWARD PLAN - EXTRACTS

The Committee considered items currently listed in the forward plan.

RESOLVED – That the Forward plan be noted.

57 CONSULTATIONS FROM CABINET

There were no consultations from Cabinet.

The meeting commenced at 2.00 pm and concluded at 4.45 pm

Councillor A Thwaite (Chairman)