

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Corporate Policy Committee**
held on Thursday, 18th January, 2024 in Committee Suite 1, 2 & 3, Westfields,
Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor S Corcoran (Chair)
Councillor C Browne (Vice-Chair)

Councillors C Bulman, D Clark, J Clowes, M Goldsmith, A Harrison,
N Mannion, C O'Leary, J Pearson, J Rhodes, J Saunders and M Warren

OFFICERS IN ATTENDANCE

Rob Polkinghorne, Chief Executive
David Brown, Director of Governance and Compliance
Alex Thompson, Director of Finance and Customer Services
Paul Mountford, Democratic Services
Phil Christian, Acting Head of Business Change
Josie Griffiths, Head of Audit and Risk
Sara Barker, Head of HR

ALSO PRESENT

Councillor R Chadwick

Owing to the adverse weather and travel conditions, a number of members were late arriving for the meeting. The Chair therefore adjourned the meeting for 15 minutes. The meeting resumed at 10.15 am.

The Chair welcomed the new Chief Executive, Mr Rob Polkinghorne, to his first meeting of the Corporate Policy Committee.

62 DECLARATIONS OF INTEREST

There were no declarations of interest.

63 MINUTES OF PREVIOUS MEETING

RESOLVED

That the minutes of the meeting held on 30th November 2023 be approved as a correct record.

64 PUBLIC SPEAKING/OPEN SESSION

There were no public speakers.

65 **THIRD FINANCIAL REVIEW 2023/24**

The Committee considered a report on the third review of the Cheshire East Council forecast outturn for the financial year 2023/24.

The report highlighted the ongoing negative impact of high inflation, rising interest rates and increasing demand for services since the Council set its budget in February 2023. It detailed the important activities being undertaken to minimise the impact on services.

With the consent of the Chair, Councillor R Chadwick spoke as a visiting member in relation to the Notice of Motion at the December Council meeting, calling for an LGA Corporate Peer Challenge review of the Council's forecast budget overspend. The Chair responded that he supported peer reviews in principle, having requested a review into organisational culture in 2020. However, he felt that the new Chief Executive should be given time to consider the matter first. He also stressed that a peer review would not be concluded in time for the Council's budget to be approved.

The Vice-Chair added that a peer review was one of a number of options provided by the LGA. Whilst he endorsed such a process, it would take time to organise, given the need to co-ordinate the diaries of the peer members and officers.

The Chief Executive advised that a CPC review was a useful process and he had initiated discussions with the LGA. The lead-in time for a review was typically six months. It may be possible to start a review in about three months' time but this would depend on the availability of those to be involved. He was due to meet with the LGA again next week.

Councillor N Mannion, as Chair of the Finance Sub-Committee, advised that the Sub-Committee had discussed the matter at length at its meeting on 11th January.

Members noted that the third financial review was forecasting a budget overspend in 2023/24 of £13m, an improvement of £5.7m since the second review. However, it was also noted that a £13m deficit would virtually eradicate the Council's remaining General Fund Reserve balance of £14.1m, severely reducing the Council's ability to produce a balanced MTFs for the next financial year. Therefore, the Council would be exploring opportunities to increase the General Fund Reserve.

In response to a question from members, the Director of Finance and Customer Services confirmed that the Dedicated Schools Grant deficit currently stood at approximately £90m.

RESOLVED

That the Committee

1. notes the report of the Finance Sub-Committee on 11th January, 2024;
2. notes the factors leading to a forecast Net Revenue financial underspend of (£1.0m) against a revised budget of £41.7m (2.4%), for Corporate Policy Committee services;
3. notes the forecast and any further mitigations to be identified;
4. notes the in-year forecast Capital Spending of £10.6m against an approved MTFs budget of £12.8m, due to slippage that has been re-profiled into future years, in respect of Corporate Policy Committee projects; and
5. notes the contents of Annex 1 and Appendix 3 of the report, and notes that any financial mitigation decisions requiring approval will be made in line with relevant delegations.

66 PERFORMANCE REPORT - QUARTER 2 2023/24

The Committee considered a report on organisational performance for quarter 2 of 2023/24 against the priorities and vision set out in the Council's Corporate Plan 2021-25.

During quarter 2, there had been continued national challenges such as high inflation, cost of living pressures, and recruitment and retention challenges. Despite these challenges, there were some positive areas of performance, including improvements in children's services and progress in planning.

The Acting Head of Business Change undertook to provide a written response to the following questions by members:

- What was being done to address the high level of complaints not being responded to within prescribed timescales?
- What progress had been made to improve digital connectivity in rural communities?

RESOLVED

That the Committee notes the organisational performance in quarter 2 of 2023/24.

67 STRATEGIC RISK REGISTER - ASSURANCE REPORT Q2 2023/24

The Committee considered an update report on the activity of the Council's Strategic Risk Register for Quarter 2 2023/24.

The report set out at tables 1 and 2 the strategic risk scores and directions of travel. Full details of individual risks were set out in Appendix A.

The Chair placed on record his thanks to the relevant officers for the progress made with children's services.

The Chief Executive advised that he was sighted on the issue of leadership capacity and would be speaking to the Head of HR on how to recruit the right people.

Members asked if the impending inspection of children's services should be included as a risk item. The Head of Audit and Risk undertook to feed the suggestion back to the relevant team.

RESOLVED

That the Committee

1. notes the position of the Strategic Risk Register for Quarter 2 2023/24 in respect of the content, description, scoring and risk management activity outlined; and
2. approves the recommendation of the Finance Sub-Committee (7th September 2023) that the strategic risks of the wholly-owned companies be included in a separate category of the Council's Strategic Risk Register from Quarter 3 2023/24.

68 PAY POLICY STATEMENT 2024/25

The Committee considered a report which outlined the Pay Policy Statement for 2024/25 for the Corporate Policy Committee to recommend to Council.

RESOLVED (unanimously)

That the Committee

1. notes the changes to the 2023/24 Pay Policy Statement as outlined in section 10 of the report; and
2. recommends to Council:
 - (a) that the Pay Policy Statement for 2024/25 be approved; and
 - (b) that for the Pay Policy Statement 2024/25, any in-year changes be approved by the Monitoring Officer and published accordingly.

69 WORK PROGRAMME

The Committee reviewed its work programme for 2023-24.

The Director of Governance and Compliance advised that a special budget meeting of the Committee had been scheduled for 1st February. He asked that members raise any questions with officers in advance to ensure that a response could be provided at the meeting.

With regard to the items for the Committee's meeting on 13th February, the Director advised as follows:

- CP/67/23- 24 'Approving the draft Corporate Plan' – This would be an update on the development of a new corporate plan for Cheshire East.
- CP/70/23- 24 'Appointment of Members to Independent Remuneration Panel' – the officers wished to defer this item to a later date as the Committee would be receiving a report at this meeting by the IRP on a targeted review of members' allowances.
- Notice of Motion on Corporate Peer Challenge – a report was to be added to the work programme for this meeting.

Councillor J Clowes asked when the Conservative Group should submit its proposed amendments to the budget for consideration. The Director of Finance and Customer Services advised that any proposed amendments should be submitted to the special budget meetings of the relevant service committees. The budget proposals of individual service committees would then be co-ordinated in a report to the Corporate Policy Committee on 13th February for recommendation to full Council on 27th February. Thus, there were further opportunities to influence the budget and submit proposed amendments at those subsequent meetings, provided officers received the amendments in sufficient time to consider them.

RESOLVED

That the work programme, with the proposed amendments, be noted.

70 MINUTES OF SUB-COMMITTEES

RESOLVED

That the minutes of the General Appeals Sub-Committee meeting on 12th December 2023 be received and noted.

71 REPORTING OF URGENT DECISIONS

RESOLVED

That the Committee notes the urgent decision taken under Procedure Rules 2.10 and 2.11 by the former Chief Executive on 29th November 2023 to accept a grant for the Local Authority Urgent and Emergency Care support fund 2023/24.

The meeting commenced at 10.00 am and concluded at 11.24 am

Councillor S Corcoran (Chair)