

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Corporate Scrutiny Committee**
held on Thursday, 16th August, 2012 at The Capesthorne Room - Town Hall,
Macclesfield SK10 1EA

PRESENT

Councillor J P Findlow (Chairman)
Councillor G Merry (Vice-Chairman)

Councillors G Baxendale, B Burkhill, R Domleo, F Keegan and D Newton A
Harewood(substitute)

Apologies

Councillors S Corcoran and W S Davies

24 ALSO PRESENT

Councillor P Hayes – Finance Portfolio Holder
Councillor P Mason – Cabinet Support Member

25 OFFICERS PRESENT

Christine Mann – Finance Manager
Alex Thompson – Finance Lead Strategy and Funding
Mark Nedderman – Senior Scrutiny Officer

26 MINUTES OF PREVIOUS MEETING

RESOLVED – That subject to the addition of the names of Councillors D Newton and F Keegan in the list of apologies for absence, the minutes of the meeting of the Committee held on 20 July 2012 be confirmed as a correct record and signed by the Chairman

27 DECLARATIONS OF INTEREST

There were no declarations of interest

28 DECLARATION OF PARTY WHIP

There were no declarations of the existence of a party whip.

29 PUBLIC SPEAKING TIME/OPEN SESSION

There were no members of the public present who wished to address the committee.

30 QUARTER 1 FINANCE AND PERFORMANCE REPORT

The Committee considered a report of the Director of Finance and Business Planning and Strategic Director Places and Organisational Capacity relating to the first quarter review of performance 2012/13. The Committee was informed that the report had been presented in a new format which it was hoped would provide members with access to better information to improve understanding of the Council's current position on performance and the steps proposed to improve performance.

The report provided summary and detailed information about the Council's financial and non-financial performance at the first quarter stage of 2012/2013, and contained requests to Cabinet for approval of supplementary revenue and capital estimates and virements.

Section 1 of the report provided projections of service revenue financial performance for the 2012/2013 financial year. It focused on the key financial pressures which the Council's services were facing and areas of high financial risk to the Council, and the remedial measures identified by services to mitigate these pressures. Key issues affecting services capital programmes were also reported.

Section 2 provided an update on the overall Financial Stability of the Council, including the positions on Grants, Council Tax and Business Rates, Treasury Management, Centrally held budgets, and the Management of the Council's Reserves.

Section 3 provided a summary of the key non-financial performance headlines for the year to date.

The Committee made the following comments:

As a general comment the committee expressed the view that in future service managers and accountants should be invited to attend meetings to answer detailed questions on their respective service areas in connection with performance reports.

The Committee highlighted that in the Children and Families budget (paragraph 7) the report referred to pressures linked to Special Education Needs (SEN) and elsewhere to the rising costs of adult social care. The committee was informed that although in recent years fewer people had required care, as a result of that care being more specialised in nature, costs were still rising. However, Members contended that neither of these two matters were new developments and indeed the Council had been aware of them for some time, and therefore questioned why the matters had been referred to in the report as emerging pressures.

Members also questioned why the care costs of £3million in Children and Families had not been brought to the attention of Members before now.

Additional queries were raised about the employment of social workers through agencies, and whether additional costs were being borne by the Council to provide training for agency staff.

It was contended that there was insufficient information contained in the report on pages 18/19 to explain the remedial action being taken in respect of the matters outlined in that section.

In response to additional questions the Committee was informed:

- That Red Quadrant was a firm of consultants working with a number of authorities including this Council, through the Local Government Association (LGA) and were specialists in Social Care.
- There was a pre – arranged agreement with Cheshire West and Chester Council (CWAC) to transfer £0.5 million to CWAC in connection with severance and relocation costs relating to disaggregation.
- The recent problems relating to the London Inter-bank Offered Rate (Libor) had not been raised with the Council as a matter of concern to date, but would be raised with the Council's treasury managers at the next scheduled meeting.

RESOLVED –

- (a) That the report be received;
- (b) That the comments outlined above be forwarded to Cabinet at its meeting to be held on 20 August 2012;
- (c) That in future service managers and respective group accountants be invited to attend meetings to answer detailed questions on their respective service areas in connection with quarterly performance reports.

The meeting commenced at 2.00 pm and concluded at 3.10 pm

Councillor J P Findlow (Chairman)