

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Corporate Overview and Scrutiny Committee**
held on Thursday, 11th September, 2014 at Committee Suite 1,2 & 3,
Westfields, Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor S Wilkinson (Chairman)
Councillor B Murphy (Vice-Chairman)

Councillors G Baxendale, K Edwards, M Grant, D Neilson, J Saunders and
M J Simon

Apologies

Councillors P Groves, F Keegan, P Hoyland and A Moran

10 MINUTES OF PREVIOUS MEETING

RESOLVED – That subject to the name of Councillor Mo Grant being added to list of members present and to the name of Councillor F Keegan being added to list of apologies for absence, the minutes of the meeting held on the 21 June 2014 be confirmed as a correct record.

11 DECLARATIONS OF INTEREST

There were no declarations of interest.

12 DECLARATION OF PARTY WHIP

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

13 PUBLIC SPEAKING TIME/OPEN SESSION

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

14 2014/15 FIRST QUARTER REVIEW OF PERFORMANCE

The Committee considered a report of the Chief Operating Officer setting out the Council's financial and non financial performance at the first quarter stage of 2014/15.

The report followed on from the final outturn report for 2013/14 which had demonstrated that the overall financial health, performance and resilience of the Council was strong. This assessment reflected the Council's enhanced governance, innovative delivery arrangements and effective stewardship of public money.

The Chief Operating Officer informed that committee that early indications had suggested that the trend to maintain strong financial control was expected to continue in the mid year review.

In Section 1: Summary of Council Performance, the report brought together the positive impact that service performance, the change management programme and financial performance had had on the 5 'Residents First' Outcomes in Quarter One.

In Section 2: Financial Stability, the report provided an update on the Council's overall financial position. It demonstrated how spending in 2014/15 had been funded, including the positions on overall service budgets, grants, council tax and business rates, treasury management, centrally held budgets and the management of the Council's reserves.

In section 3: workforce development, the report provided a summary of the key issues relating to the Council's workforce development plan.

RESOLVED – That the report be received and noted.

15 BUDGET CONSULTATION

The Committee considered a report of the Chief Operating Officer setting out the Council's pre-budget report 2015/16. The report provided detail as to how the Council intended to vary existing budgets in order to continue to maintain viable and sustainable services and specifically set out proposals to:

- Freeze Council tax for a fifth consecutive year;
- Enter into no additional borrowing in 2015/16;
- Maintain appropriate reserves levels that protect against risks;
- React to changes in demand and existing budget proposals that can reduce net expenditure by £6.6 million, including:
 1. Increasing spending in Adult Services;
 2. Forecasting income from growth in the tax base and increasing returns on investments;
 3. Reducing overall spending in all other service areas by targeted interventions.

The committee was informed that comments received throughout the budget setting process would support Cabinet in developing a balanced budget which would be agreed in February 2015, and at this stage in the process, Overview and Scrutiny Members were being provided with an opportunity to consider proposals contained within the report, and to consider additional recommendations for consideration as potential budget variations.

Each Head of Service was then invited to highlight the main budget proposals as they related to their respective service areas.

In connection with Children and Families, the committee was informed the committee that whilst the number of children in care had reduced recently, additional pressures had been created in the service due to increased numbers

of children entering the care system. Therefore the priority was to reduce the numbers in care and to provide a 'wrap around' service to care leavers in order to support better independent living.

In relation to Adult Services, it was reported that to the increased demand on adult services due to ageing population of Cheshire East and further pressures were expected in relation to:

- Commissioning of residential respite from the private sector, no longer using the respite beds in three in-house resources centres
- Full cost recovery of care beds at Hollins View and Lincoln House
- Having no subsidy may result in the NHS procuring more effectively from another provider
- Review of charges and removal of subsidies for adult care services
- New ways of working, tighter controls and budget management at the front line assessment and care management service
- Review of contracts funded by former Supporting People Grant in terms of priority and contract value

In connection with Public Health, the main areas of activity were expected to be:

- Review efficiencies and structure
- Integrating spending:
 - Across the Council, NHS, statutory, voluntary, community, faith and private sectors
 - Linking with school nursing, special schools and child obesity
- Managing the Innovation Fund to promote engagement and best practice in local health services
- Re-tendering key services
- Reviewing management fees with service providers
- Securing quality improvements and cost reductions from providers

Highways and Environmental Health had gone through significant changes during the past 12 months especially in connection with the creation of a number of Alternative Service Delivery Vehicles (ASDVs), resulting in the following challenges:

- Challenge ASDV management fee
- New vehicles securing quality improvements and cost reductions – 25% of any profit can be retained by the Council

The main areas of activity in Communities were expected to be:

- Exploration of commercial opportunities for financial and forensic intelligence functions and marketing of services to other Local Authorities and businesses
- Removal of subsidy from commercial pest control service
- Business improvement opportunities in enforcement services

Finally, in connection with services under the Chief Operating Officer, the main budget proposals were focused on these significant areas:

- Contract and Energy savings in management of Council buildings
- Further savings from procurement of goods and services
- Responding to the significant benchmarking exercise taking place in summer 2014
- Efficiency savings and staffing reductions
- Reduce costs of Occupational Health Unit, Workforce Development and Training

RESOLVED – That the report be received

16 SENIOR MANAGEMENT REVIEW

The Committee considered a report of the Chief operating Officer summarising the outcome of the Senior Management Review which had been carried out in three phases.

The outcome of the review included a significant overall reduction in the numbers of management posts whilst still providing opportunities for necessary increased capacity in priority areas such as economic growth and social care.

The overall saving from the three phases in 2014/15 was £5 million.

The Council would continue to review its structures as part of service redesign and commissioning.

RESOLVED – That the report be received and noted

17 FORWARD PLAN

The Committee considered items listed in the current forward plan.

RESOLVED – That the Forward Plan be received.

18 WORK PROGRAMME PROGRESS REPORT

The Committee reviewed the work programme.

RESOLVED - That the report be received and noted.

The meeting commenced at 2.00 pm and concluded at 4.00 pm

Councillor S Wilkinson (Chairman)