

Corporate Scrutiny Action Log – 4th June 2020			
	Action required	By Whom	Response
1	Chair asked all to note that Corporate will be giving focus to Covid-19 spending in addition to 'business as usual' as part of the co-ordinated work with A&G committee	Alex Thompson/Mark Nedderman/Joel Hammond-Gant	This issue is noted.
2	Members of Corporate Overview and Scrutiny expressed concern regarding the Council's budgetary position on reserves and associated risks, as contained in the report of the Director of Finance and Customer Services. The Committee therefore requests that Cabinet provide up to date financial information, to allow the Committee to keep a watching brief on the reserve position in future.	Alex Thompson	A Covid-19 Progress Report was provided to Cabinet on 7 th July and the Audit and Governance Committee on 30 July. This included up to date information on the financial impact on Cheshire East Council of COVID-19. Further updates, including the forecast impact on reserves, will be provided as announcements are released from Central Government and to align with the Council's financial monitoring cycle.
3	In accordance with Government guidance and guidance from the Centre for Public Scrutiny, the Committee will review Council spending on COVID-19 related matters. This area of scrutiny is now included on future Committee agendas as a standing item.	Alex Thompson/Mark Nedderman/Joel Hammond-Gant	Noted. Published items referred to in response to Question 2 (above) will be available to support the work of scrutiny.
4	The Committee expressed concern regarding the level of overspend on Corporate Services and seeks assurances from Cabinet that measures will be put in place to ensure that future policies obviate the need for overspends in the Corporate Services Directorate in the medium and long term.	Jane Burns	There are a number of legacy/historical issues in terms of the Corporate Services Budget which have not been fully addressed to date. For example: <ul style="list-style-type: none"> • Unrealistic and unachievable savings targets, e.g. Digital Project and MARS • Unachievable income targets, particularly in Business Change and Legal Services

			<ul style="list-style-type: none"> • Permanent senior leadership structure funded by temporary/fixed-term funding. • Incomplete restructures due to delays negotiating a new pay and grading structure. <p>2019/20 Budget Corporate Services had been reporting an overspend from the point of the Mid-Year Review.</p> <p>The final outturn position is an overspend of £1.6m. This included two risks which materialised in Quarter 4 and which had a detrimental impact on the overspend:</p> <ul style="list-style-type: none"> • £0.6m additional revenue costs relating to B4B costs which are addressed elsewhere; and. • £500m under-recovery of income on the Benefits Payments System. <p>A budget remediation plan is being put in place to address the structural gaps by restricting controllable expenditure in the first instance, through for example vacancy management, stopping supplies and services spend, reducing agency costs etc.</p>
5	Additional Information requested on Housing Benefit over-payments relating to Covid-19 in the context of the Council's financial year comparing past and future years.	Alex Thompson	<p>Each year the Council administers Housing Benefit payments for c.11,000 claimants at a value of c.£60m. Overpayments can occur in several circumstances particularly around issues with fraud and error but also in relation to delays in processing payments. Where it is possible to recover overpayments the Council will use options such as reductions in future claims, deductions from other benefits or the issue of an invoice.</p> <p>Although accuracy in processing claims is over 98% it is clear that if claimant numbers increase then this also</p>

			<p>increases the potential number of overpayments. The potential losses from overpayments are difficult to forecast, but in 2019/20 the estimated level of debt increased causing a potential overspend at year-end as reported in the Outturn Report.</p> <p>Local claimant numbers have significantly increased with the economic impact of COVID-19, with c.5,000 new Universal Credit claims being recorded in April 2020 alone. The impact the pandemic may have on potential overpayments will be monitored. Any information that links the financial impact to the Council's MTFS will be recorded and reported to MHCLG as part of the financial tracking arrangements in place. Locally this information will be reported as part of the Council's financial monitoring process.</p>
6	Question about the £1million overspend in relation to the Best4Business Programme – was this as a result of consultancy fees or agency staff?	Alex Thompson	As shown in the outturn report 2019/20, the overspend on B4B was £0.6m. The additional costs were incurred on business change work and the 50:50 sharing of costs of staff working on the B4B project employed by both Cheshire East and Cheshire West Councils.
7	Question on Cheshire East Council apprenticeships	Sara Barker	<p>Apprenticeships – Current Target 165</p> <p>Cheshire East Council met its internal target for the number of apprenticeships starts in 2018/2019 and the statutory return on the number of apprentices across Cheshire East Council for 2018/19. Challenges do continue around the number of apprenticeships starts within maintained schools, which form part of the overall target that was submitted to the Department for Education in September 2019.</p>

			<p>Since then, work has continued to build on that already carried out over the last three years, implementing a strategic approach to apprenticeships, linked to identified skills' gaps.</p> <p>The total number of new starts for all apprenticeships for 2019/2020 was 70. The breakdown for this is as per below:</p> <ul style="list-style-type: none"> • Corporate - 20 • People - 18 • Place - 19 • Schools - 8 • ASDVs – 5 <p>The figures for 2019/2020 have been affected by the ongoing budget cuts and the recruitment freeze that was put in place during the year.</p> <p>There are currently 12 new starts in place for 2020/2021. Breakdown for these is:</p> <ul style="list-style-type: none"> • Corporate - 1 • People - 9 • Place - 1 • School - 1 <p>Further work is underway to explore the options to transfer levy funds and understand the model to be used in Cheshire East Council. It has not been possible to progress this work during the COVID-19 crisis, but work will be progressed as soon as possible.</p>
7	Question on sickness absence during COVID-19	Sara Barker	<p>The Council has been monitoring staff absences on a daily basis during the Covid-19 emergency.</p>

			<p>At the time of the question, there were 103 staff self-isolating due to being symptomatic or living in a household with someone who is symptomatic. Self-isolation is either 7 or 14 days based on Government guidelines. The number of isolating staff has varied throughout the emergency as staff go into and come out of the isolation period. These absences are not recorded as sickness absence and the majority of these staff have been able to work from home during this period, All staff who are self-isolating remain on their normal pay.</p> <p>In addition, since 1 March to 31 May 2020, 34 staff were recorded absent with Covid-19 related sickness absence (after the period of self-isolation), In reality this number may be higher as testing was not introduced widely until mid-April. These absences are not counted towards sickness triggers or further action under the attendance management policy.</p> <p>The Council is providing extensive support to staff during these times. This includes well-being and mental health support, Talk Listen Chat call for all staffs and Champion virtual/telephone sessions, hints and tips for working at home and managing caring arrangements in addition to virtual team contact to maintain team meetings. Regular staffing briefings and FAQs also ensure that staff are kept abreast of changes to government guidelines, working arrangements available support.</p>
7	The committee to receive a further update on the Corporate Peer Challenge in 6 months' time.	Jane Burns/Natalie Robinson	To be added to the work programme and report by December 2020.
8	Draft Corporate Plan – to be kept under review with a view to having say on consultation	Jane Burns/Natalie Robinson	COVID-19 delayed the work on a new Corporate Plan. The intention is to begin consultation on a new draft Plan later in September.