



Rutland County Council

Catmose Oakham Rutland LE15 6HP

Telephone 01572 722577 Facsimile 01572 758307 DX 28340 Oakham

Record of a Special Meeting of the **CORPORATE SERVICES SCRUTINY PANEL** held in the Council Chamber, Catmose, Oakham at 5.30pm on **Thursday 11 August 2011**.

- PRESENT:** Mr B W Roper - Chairman (in the Chair)
Mr M E Baines
Mr J M Lammie
Mr C A Parsons (substituting for Mr D C Hollis)
Mr D L Richardson
Mrs L Stephenson (substituting for Mr W Cross)
Mrs C L Vernon (substituting for Mr J R Munton)
Miss G Waller
Mr A S Walters
- Also in Attendance** Mr R J Gale
Mr M D A Pocock Portfolio Holder for Resources
Mr T C King Portfolio Holder for Finance and Asset Management
- OFFICERS PRESENT:** Mrs H V Briggs Chief Executive
Miss D Muddimer Strategic Director for Resources
Miss T D Stokes Democratic Services Manager
- APOLOGIES:** Mr W J Cross, Mr D C Hollis, Mr J R Munton and Mr N Wainwright

222 DECLARATIONS OF INTEREST

Miss Waller declared a personal but not prejudicial interest in Report No 107/2011, Post 16 Update as her husband works at Casterton Business and Enterprise College (CBEC) and Miss Waller is a Primary School Governor in Rutland. However, she felt the item did not specifically relate to the schools concerned and therefore Miss Waller remained in the meeting and voted.

Mrs Vernon declared a personal but not prejudicial interest in Report No 107/2011, Post 16 Update, as she is employed in education recruitment. Mrs Vernon asked that it be noted that she was formally a Governor of CBEC however, this was no longer the case. She therefore remained in the meeting and voted.

For the record, Miss Muddimer, Strategic Director for Resources, asked that it be noted that she has been appointed a Community Governor of CBEC.

223 PETITIONS, DEPUTATIONS AND QUESTIONS

No petitions, deputations or questions has been received from members of the public which related to items on the Agenda.

224 QUESTIONS WITH NOTICE FROM MEMBERS

No questions were received from Members.

225 NOTICES OF MOTION FROM MEMBERS

No Notices of Motion were received from Members.

226 CONSIDERATION OF ANY MATTER REFERRED TO THE PANEL FOR A DECISION IN RELATION TO CALL IN OF A DECISION

The Chief Executive, Mrs Briggs, announced:-

“This Special Meeting of the Corporate Services Scrutiny Panel has been convened in accordance with Procedure Rule 206 in response to a Call-In by three members of the Panel, namely Councillors Richardson, Wainwright and Walters.

The decision called in is Decision 3) of Minute 202 of the Cabinet meeting held on 2 August 2011. The Record of Decisions of that meeting was published on 4 August 2011. The relevant report and its Appendices and the Record of Decisions are attached to the Agenda for this Special Meeting.

Procedure Rule 207 provides that only decisions involving expenditure or reductions in service over £25,000 in value may be called in. That requirement is met in this case.

Procedure Rule 206 states that Call-In should only be used in exceptional circumstances. These are where members of the Scrutiny Panel can provide sufficient evidence to suggest that the Cabinet did not take the decision in accordance with the decision making principles set out in Article 13 of the Council’s Constitution.

The principles refer to: the types of decision reserved to full Council; key decisions (as defined) and the requirements for making them (that is, that they were included in the Forward Plan or that the short notice or urgency provisions have been observed); and the Procedure Rules to be followed by the Council, Cabinet, Scrutiny Panels, Committees and any other decision making Council bodies.

It is not clear that this criterion has been met on this occasion. The reasons given for the Call-In may be summarised as: the report to Cabinet had insufficient information on which to base a sound decision given the apparent risks; and concern about a substantial sum of money being moved from one budget to another without full Council approval.

However, there has been no recent Call-In experience upon which members, especially those recently elected, can draw. It was considered reasonable in the circumstances of this case to give the benefit of the doubt to accepting the Call-In.

It should be emphasised that the scope of the Call-In, and therefore of this evening’s debate, is limited to Decision 3).

There are three possible outcomes of a Call-In:

- The Panel is satisfied with the decision. In this case the decision takes effect immediately.
- The Panel has concerns about the decision and refers it back to Cabinet with written comments explaining its concerns. In this case Cabinet should review the decision within five days and this would be done at its meeting on 16 August 2011. Cabinet’s decision then would be final.
- The Panel has concerns and refers the decision to full Council. If the Council has concerns, it would remit the matter to Cabinet, unless it was determined that the decision fell outside the Policy or Budget Framework, in which case it would be a matter for the Council to decide.”

227 POST 16 UPDATE

Referring to Cabinet Report No 107/2011, Post 16 Update, which was the subject of the “call-in”, clarification was sought regarding the following:-

- i) Based on the assumption that the Little Build project should be complete at the end of August 2011, could officers guarantee the project would be complete with £270K underspend at completion, bearing in mind any potential unforeseen problems which may be uncovered?
- ii) The original budget for the Little Build project was larger than that currently available. Funding and the specification had been reduced. Was it appropriate therefore to use any underspend for a different project without reverting funding to the original Little Build specification?
- iii) Was it incumbent on officers to return funds to the Council in the event of any underspend, particularly bearing in mind the separation of asset management and budget/finance functions between two scrutiny panels?

Responding to the above three queries, the Portfolio Holder explained that the completion date for the Little Build project remained on target, opening on 1 September 2011. Demolition works would commence thereafter. As at 10 August 2011, £247,144 underspend was anticipated.

The recommendation outlined in paragraph 2.3 of Report No 107/2011 was not requesting the whole underspend for the Post 16 project, but to set aside 5% East Midlands Property Alliance (EMPA) contingency in order to release an equivalent amount (approx £130K) into the Post 16 scheme to optimise design and specification.

Any additional underspend would be returned to the “central pot” for reallocation.

- iv) Responding to a point regarding six members of the Cabinet making decisions without being referred to full Council, reference was made to the financial procedure rules which enabled the Cabinet to vire monies between schemes up to £250K; anything other £250K would require Council's approval. In this case, £130K was being sought. Cabinet had therefore acted within its remit.
- v) Clarification was sought regarding the underspend on the Little Build project and whether the grant funding would need to be returned.
- vi) It was noted that the Little Build project has been re-visited in consultation with school representatives who had indicated their support for re-alignment of the project enabling a well established facility. The virement of monies across school projects had not been to the detriment of the Little Build project.
- vii) Referring to paragraphs 2.2 and 5.3, Report No 107/2011, detailed financial costings were requested, together with clarification regarding the request for £130K. However, it was noted that work had been undertaken by the Project Board and CBEC regarding the development of the project and working within budget. The Portfolio Holder undertook to provide minutes of Project Board meetings to members however, he explained that he was assured by officers that the project was within budget. Being underwritten by an EMPA Contract would ensure responsibility for any shortfalls would be taken on by the Contractor and therefore risk to the

Authority was reduced.

- viii) It was suggested that the issue of Post 16 land and buildings acquisition history be scrutinised by the Places Scrutiny Panel at its September meeting.
- ix) It was clarified that the local authority would continue to “hold the purse strings” in respect of the original budget + 5% after CBEC had taken on revenue responsibility for the project.
- x) Further concerns were raised regarding the underspend on the Little Build Project however, it was noted that the new school provided better facilities for all children, including those with special needs, with greater capacity than was currently available on two sites, together with the provision of family support.

Following discussion, members concluded that the Post 16 project appeared to be on time and within budget. The Cabinet had decided to draw on the unspent contingency arising from the Little Build project as a safety net for the Post 16 project. The virement accorded with the Council’s Financial Procedure Rules and therefore it was concluded that the Cabinet’s decision should be endorsed.

AGREED:-

That Decision 3) of Minute No 202 of the Cabinet Meeting held on 2 August 2011 be endorsed and implemented.

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The Chairman declared the meeting closed at 6.49pm.

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