

AUDIT COMMITTEE

MINUTES of a meeting held on 24th October, 2006.

Present: Councillor N.P. Hodges (Chairman); Councillor N. Moore (Vice-Chairman); Councillors J. Clifford, A.D. Dobbinson, G. John, Mrs. M. Kelly Owen and C.L. Osborne.

Also present: Councillor A.J. Readman and Mr. R. Harries, Wales Audit Office.

453 MINUTES -

RECOMMENDED - T H A T the minutes of the meeting held on 14th September, 2006 be approved as a correct record.

454 DECLARATIONS OF INTEREST -

No declarations were received.

455 SOCIAL SERVICES BUDGET ACTION PLAN (REF) -

Cabinet, on 20th September, 2006 had considered a report which outlined options for addressing the current budget issues within Social Services. In 2003/04 the Council had established a Management Fund of £5m. for Community Services. The fund had been available for the following purposes:

- “Invest to Save” initiatives and preventative measures
- Abnormal demands for services
- Continued use in line with the Children’s Placement Strategy.

Since 2003/04, the Service had used the fund as follows:

- 2003/04 £1.4m.
- 2004/05 £2.3m.
- 2005/06 £4.6m.

On 6th September, 2006, Cabinet considered a financial monitoring report which predicted that the overspend in the current financial year would be £5.5m. The Director of Community Services was charged with developing an action plan to identify how spending across Social Services could be reduced by £5m. in order to deliver a balanced budget for Social Services.

Attached at Appendix A to the report was the Action Plan that had been developed and which identified proposals across the following service areas:

- Community Care and Health Services
- Children and Family Services
- Strategy, Performance Management and Commissioning
- The whole Directorate.

Cabinet had

RESOLVED -

(1) T H A T the Action Plan attached at Appendix A to the report be referred to the Scrutiny Committee (Community Wellbeing and Safety), the Scrutiny Committee (Corporate Resources) as the lead Committee and to the Audit Committee.

(2) T H A T the Action Plan attached at Appendix A be referred to the Social Services Budget Working Group, the membership of which to be revised to consist exclusively of the Leader of the Council, Deputy Leader, the Cabinet Member for Social and Care Services and the Leaders of all the other political groups (without substitution).

(3) T H A T an independent adviser be appointed to support the Chief Executive and the Leader in considering the Action Plan and its recommendations.

(4) T H A T due to the serious nature of the current budget situation, the proposals in the Action Plan with the exception of decisions requiring formal Cabinet approval be implemented with immediate effect.

Members of the Audit Committee noted that the Social Services Budget Action Plan would be subject to consideration by the Scrutiny Committees (Community Wellbeing and Safety) and (Corporate Resources) and considered it to be opportune to consider the Budget Action Plan from a different perspective to the Scrutiny Committees'.

It was felt that the role of the Audit Committee would be best served if the Committee were to investigate the history and reasons for the current budget issues within Social Services.

The view was also expressed that it would be appropriate for the Audit Committee to consider the risks associated with the actions as contained in the Budget Action Plan and, further, to review the eligibility criteria as applied by the Social Services Directorate.

In arriving at its conclusions, Audit Committee was conscious of the need for these matters to be considered as a matter of urgency.

Note: Councillor Readman spoke with the consent of the Committee.

RECOMMENDED -

(1) T H A T an extraordinary meeting of the Audit Committee be convened on 21st November, 2006 at 10.00am, to receive reports on the following:

- an outline of the background, from 2003/04, and reasons for the current budget issues within Social Services;
- risk assessments of the actions contained within the Social Services Budget Action Plan;
- a review of the eligibility criteria as applied by the Social Services Directorate.

(2) T H A T both Scrutiny Committees (Community Wellbeing and Safety) and (Corporate Resources) be informed of the above decision.