

Cabinet

Agenda

Date: Monday, 16th June, 2008
Time: 2.00 pm
Venue: Town Hall, Macclesfield

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

PART 1 - MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. Apologies
2. Declarations of Interest
3. Public Speaking Time/Open Session

A total period of fifteen minutes is allocated for members of the public to address the Cabinet on any matter relevant to the work of the Cabinet, subject to the Chairman's discretion.

In order for officers to undertake any background research it would be helpful if questions were submitted at least one working day before the meeting.

Individual members of the public may speak for up to 5 minutes.

4. Minutes (Pages 1 - 4)

To approve the Minutes of the meeting held on 21 May 2008.

5. Key Decision - A43 Alderley Edge and Nether Alderley By Pass (Pages 5 - 14)

To consider the report of the Places Block Lead.

6. Application for Consent - Queens Park, Crewe (Pages 15 - 18)

To consider an application for consent by the Places Block Lead Officer.

7. The Management and Funding of Transitional Costs (Pages 19 - 26)

To consider a report of the Interim Chief Financial Officer.

8. Financial Planning Process (Pages 27 - 32)

To consider a report of the Interim Chief Financial Officer,

9. Social Care and Health Integration (Pages 33 - 36)

To consider a report of the People Workstream Lead Officer.

10. Children's Trust Arrangements (Pages 37 - 46)

To consider a report of the People Block Lead Officer.

11. Personalisation and the Transformation of Adult Social Care (Pages 47 - 70)

To consider a report of the Chairman of the Cheshire East People Workstream.

12. Sub-National Economic Development and Economic Regeneration and the Regional Spatial Strategy (Pages 71 - 80)

To consider a report by the Places Block Lead on consultation responses to the Sub-National Economic Development and Regeneration Review, and to the partial review of the Regional Spatial Strategy.

13. Progress Report (Pages 81 - 88)

To consider a report by the Policy Support Team on progress made against key milestones, and activities to be undertaken.

14. Cheshire East Cabinet - Future Meeting Dates (Pages 89 - 90)

To note the proposed meeting dates for the Cabinet for 2008/09.

PART 2 - MATTERS WHICH CONTAIN CONFIDENTIAL OR EXEMPT INFORMATION

15. None

CHESHIRE EAST COUNCIL

Minutes of a meeting of the Cabinet
Held on Wednesday, 21st May, 2008
At the Town Hall, Macclesfield

Councillor Mr W Fitzgerald (Chairman)
Councillor Mr R Domleo (Vice-Chairman)

Councillors Mr D Brickhill, Mr D Brown, Mr P Findlow, Mr F Keegan, Mr A Knowles,
Mr J Macrae, Mr P Mason and Mr B Silvester

In attendance:- Councillor Lesley Smetham

1 DECLARATIONS OF INTEREST

Minute 3 (Direction under Section 24 of the Local Government and Public Involvement in Health Act 2007)

Councillor P Findlow declared a personal interest by virtue of being a member of Cheshire County Council; Councillors D Brown, R Domleo and D Mason declared personal interests by virtue of being members of Congleton Borough Council; Councillors D Brickhill and B Silvester declared personal interests by virtue of being members of Crewe and Nantwich Borough Council and Councillors W Fitzgerald, F Keegan, A Knowles and J Macrae by virtue of being members of Macclesfield Borough Council. In accordance with the Constitution they remained in the meeting.

2 DIRECTION UNDER SECTION 24 OF THE LOCAL GOVERNMENT AND PUBLIC INVOLVEMENT IN HEALTH ACT 2007

Consideration was given to a report from the Governance lead on a request for the Cabinet to agree, on behalf of the Shadow Council, to a General Consent document to enable the business of existing District and County Councils to continue to proceed in the run up to vesting day. An appendix to the report set out the details of the General Consent and the suggested form.

RESOLVED

For the reasons set out in the report:-

That pursuant to its powers to give General Consent under the provisions of the Direction made on 9 April 2008 under the Local Government and Public Involvement in Health Act 2007, the Cabinet, on behalf of the Shadow Council, agrees the General Consent in the form set out in Appendix 2 to this Report.

3 SECRETARY OF STATE'S PROPOSED CHANGES TO THE DRAFT NW REGIONAL SPATIAL STRATEGY (RSS)

Cabinet was requested to consider a proposed consultation response to the Secretary of State's Proposed Changes to the Draft Regional Spatial Strategy,

submitted by the North West Regional Assembly, on which it was considered appropriate for the Shadow Authority to make its own response on issues likely to be of significance to the new Local Authority.

In considering its response Cabinet asked for the response set out in the report to be expanded to emphasise the future position and role of Cheshire East Council particularly in relation to the existing City Regions, and in respect of spatial priorities and district housing figures. As the response needed to be submitted by 23 May 2008 it was agreed that the final wording be delegated to the Block Lead for Places in consultation with the Leader of the Council.

RESOLVED

For the reasons set out in the report and as now given: -

That approval be given to the response set out in the report to be expanded to take into account the views of the Cabinet, and that the final wording of the response be delegated to the Block Lead for People and Places, in consultation with the Leader of the Council.

4 DELEGATION TO JOINT IMPLEMENTATION TEAM OFFICERS

Consideration was given to delegated authority being given to officers in the Joint Implementation Team so as to enable them to take all necessary action to achieve the implementation of the changes set out in the Cheshire (Structural Changes) Order and all associated matters relating to their lead areas.

In considering the proposed delegation of decisions Cabinet requested that at such time as the portfolios had been decided for each of the Cabinet members any such decisions should be made in consultation with the relevant portfolio holder.

RESOLVED

For the reasons set out in the report:-

That approval be given for operational decisions to be made by officers of the Joint Implementation Team as set out in the report and that delegations be considered further at such time as the Cabinet portfolios have been decided upon.

5 IMPLEMENTATION PLANNING

Consideration was given to this report highlighting the critical milestones from the High Level Implementation Plan, and proposing that from now on progress be reported to Cabinet on both a monthly and quarterly basis.

RESOLVED

For the reasons set out in the report: -

That the report be noted and that progress be reported to Cabinet on a monthly and quarterly basis.

6 TRADE UNIONS FACILITIES TIME FOR TEACHERS' UNIONS

In accordance with Section 100B of the Local Government Act 1972, and paragraph 43.6 of the Procedure Rules Relating to Executive Arrangements, the Chairman of the Cabinet was satisfied that by reason of special circumstances, namely the need to make a decision on this matter in good time before 31 May 2008, the matter should be considered as a matter of urgency. The Chairman of the Council had also agreed that the matter would be exempted from call-in, in accordance with Rule 13.1 of the Scrutiny Rules of Procedure.

Consideration was given to this report advising members of the situation regarding Trade Unions facilities time for Teacher's Unions, and seeking agreement to the extension of the current County Council arrangements until 31 August 2009.

RESOLVED

For the reasons set out in the report: -

That approval be given to the extension of the current Trade Union facilities arrangement for Teachers' Unions until 31 March 2009.

The meeting commenced at 2.30 pm and concluded at 4.15 pm

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CHESHIRE EAST COUNCIL

Cabinet

Date of meeting: 16 June 2008
Report of: Paul Ancell
Title: A34 Alderley Edge & Nether Alderley Bypass

1.0 Purpose of Report

1.1 This report describes progress and decisions required for the A34 Alderley Edge & Nether Alderley Bypass at a critical stage of the works procurement. Reports outlining the scheme have been considered by the Joint Implementation Team on 2 April 2008 and the Cheshire East Joint Committee on 15 April 2008. The Joint Committee resolved that:

- The funding requirement for the scheme, post March 2009 and the expectation that this would be drawn from the integrated transport block of the LTP, be noted;
- The necessity to appoint a site staff resource to manage the contract, which might have implications for the continuity and transfer of staff on this key site post March 2009, be noted
- The DfT be provided with assurance prior to Final Approval regarding overseeing and staffing the project as set out in paragraph 4.10 of the (Joint Committee) report
- A letter be sent to former County Councillor Margaret Melrose advising her of the Joint Committee's decision on this matter.

1.2 In particular, this paper, and previous papers, explains that the Department for Transport, prior to them giving Full Funding Approval, require an assurance from Cheshire East Shadow Authority that the new authority "would continue to be able to oversee the contract and have the relevant personnel".

2.0 Decision Required

2.1 To confirm the decisions made by the Joint Committee on 15 April 2008.

2.2 To note the progress on the scheme.

2.3 To give consent to Cheshire County Council entering into the contracts for the main road/bridge works, Network Rail underbridge and other associated works. This approval is required to satisfy the direction issued by DCLG under section 24 of the Local Government and Public

Involvement in Health Act 2007 regarding contracts let by the existing Authorities from 26 May 2008 onwards.

- 2.4 To confirm that Cheshire East Council will oversee the contract by means of appointment of relevant personnel after 31 March 2009

3.0 Financial Implications for Transition Costs

- 3.1 The Regional Assembly has approved overall funding of £52.8m in the Regional Funding Allocation. It should be noted, however, that this is a maximum budget provision and does not represent an agreed DfT contribution. Grant will be paid to the Authorities (ie the County Council up 31 March 2009 and Cheshire East Council thereafter) based on actual expenditure and in accordance with the financing package agreed as part of Final Approval. The estimated cost profile supplied to the DfT in January 2008 for Conditional Approval was as follows:

	08/09	09/10	10/11	11/12	13/14	14/15	Total
DfT Costs	9.9	17.7	9.5	2.7	4.5	2.3	£46.6m
LA Costs	0	0.5	0.4	0.3	0.3	0.3	£1.8m
							£48.4m

- 3.2 Since withdrawal of the High Court Challenge, it has been possible for the scheme's contractor to make considerable progress in finalising programme details and, hence, cost implications arising out the delays referred to in paragraph 7.10 below. The overall cost estimate has also been affected by the necessary factoring in of design refinements and service diversion implications. The latest project cost estimate is £51.4m. (May 2008). Work is continuing on the cost estimate and associated risk assessments and a verbal update of the latest position will be provided to Members at the meeting
- 3.3 The estimated cost includes the provision of a footbridge across the bypass for public right of way Footpath No 33 in Nether Alderley, as approved by the County Council's Environment Executive on 7 April 2008. This cost profile includes, as well as the works contracts mentioned above, funding for all scheme costs covering *inter alia* land, Part 1 Claims under the Land Compensation Act, staff costs during the construction phase, inflation and risk allowances. The DfT require a Final Approval submission to be made giving a revised estimated cost profile once all the current Target Cost and detailed design estimates are finalised. Based on this, the contributions and timings for all the funding parties will be finally agreed which will be based on a DfT promoted understanding that costs over the agreed project budget will be borne by the promoting authority.

- 3.4 Network Rail have progressed their rail underbridge through feasibility and detailed phases using their appointed contractor Birse Rail. They have estimated the project value as £8m which includes a new drainage culvert, cost provisions for risks, Train Operating Companies' costs, and staff costs.
- 3.5 The estimated project value for the civils works (Birse Civils works) included within the January 2008 estimate to DfT was £22m. Taking into account the issues referred to in paras 3.1 and 7.10, the current estimate is £26.4m, which includes cost provisions for risks and inflation.
- 3.6 The associated minor works values are £0.8m for landscaping (yet to be tendered) and £1.7m for public utility diversions currently being finalised with each company.

4.0 Financial Implications 2009/10 and beyond

- 4.1 The local authority funding contribution for this project, from 2009/10 onwards, will need to come from Cheshire East's LTP2 Integrated Transport block allocation. The disaggregation of the Cheshire LTP2 block allocation between Cheshire West & Chester and Cheshire East has still to be determined. DfT have indicated that they expect the East and West Cheshire Councils to reach agreement with regards to the division of grant funding such as the LTP, albeit it is understood that a formula approach would be used by DfT should agreement not be reached by the two Councils. Assuming the South East Manchester Multi Modal Study scheme (SEMMMS) element is attributed to Cheshire East and the remainder in split 50:50, then Cheshire East's LTP2 Integrated Transport block allocation would be £4.926m in 09/10 and £4.994m in 10/11. (No figures are available for 2011/12 onwards). Five possible scenarios based on population, road length and past and future LTP2 expenditure have been examined. The worse case scenario gives Cheshire 47% of the "non-SEMMMS" related block allocation. This would reduce the annual allocations by around £250,000.
- 4.2 Members will be aware that in addition to Alderley Edge Bypass, there are four other major transport schemes within the Cheshire East boundaries which are at various stages of development. These are Crewe Green Link Road, Crewe Station Gateway, Middlewich Eastern Bypass and the SEMMMS major schemes. In the event that Members decide to continue with all five schemes, then funding of around £10m (based on current estimates) will be required from the LTP capital allocation in the period 2009/10 to 2014/15. The table below gives an indicative spend profile for each scheme.

	2009/10	2010/11	Post 10/11
Middlewich Eastern Bypass	1250	750	0
Alderley Edge Bypass	500	1000	1800
Crewe Station Gateway	500	320	0
SEMMMS Major Schemes	550	550	2500
Crewe Green Link Road	0	0	0
Schemes Total	2800	2620	4300
LTP Integrated Transport block Total funding	4926	4994	Not yet confirmed

4.3 The five major projects would therefore require just over half the LTP Integrated Transport block allocation for 2009/10 and 2010/11 based on current known cost estimates and funding profiles. The remaining significant elements currently shown in the Integrated Transport block are; Local Safety Schemes, Safer Routes to Schools, Public Transport Improvements, Local Integrated Transport programmes (Macclesfield, Congleton and Crewe & Nantwich areas)

4.4 Any increase in overall scheme cost on Alderley Edge beyond that built into the final scheme cost estimate, would therefore probably have to be met from within the LTP Integrated Transport block.

5.0 Risk Assessment

5.1 In developing the estimate a comprehensive risk assessment has been undertaken. The table below provides details of the current outturn estimates of the various aspects of the scheme and the built in risk allowances.

Scheme Element	Cost Estimate (total)	Risk Assessment	
		Risk Allowance Included	Comments
Main Highways Contract (Contractor – Birse CL)	£26.4m	£5.2m	Comprises 15% contingency on contract price (£3.4m), plus £1.8m allowance for inflation. Costs are based on a detailed quantified risk assessment carried out with the contractor.
Network Rail Bridge (Contractor – Birse Rail)	£8.0m	£0.65m	A £650K “built in risk” allowance arises from a “Risk Workshop” and incorporates provisions for weather, estimating, ground conditions, design uncertainty and re-tamping.

			A further £300K for train operating costs is also included in the cost estimate of £8m.
Statutory Undertakers	£1.7m		Based on utility company estimates – some risk associated with payments based on actual costs incurred by utilities.
Landscaping	£0.8m		Contracts still to be tendered – minimal risks associated with this work.
Land Acquisition	£1.9m		Based on projected land values – subject to negotiation.
Land – Part One Claims	£10.1m	(£1.1m)	Assumes house price inflation of 5% (Part One Claims can be made from one year after the scheme opens until seven years after it opens). Zero property price inflation over the period in question would reduce estimate by £1.1m,
Staff Costs	£2.5m		Minimal risks associated with this element.
Total	£51.4m		

- 5.2 The DfT require the promoting Authority to fund 50% of any cost increases over and above those previously agreed on the basis of earlier cost estimates. Although discussions are ongoing with DfT, this factor is likely to result in an increase in the Local Authority contribution to the cost from the initially envisaged £1.8m to £3.3m. The latter figure has been taken into account in the wider funding consideration detailed in section 4 of this report.

6.0 Background

- 6.1 The A34 through Alderley Edge and Nether Alderley is a key part of the County's primary route network and forms a southerly continuation of the Wilmslow-Handforth Bypass opened in the 1990s.
- 6.2 Alderley Edge has a population of 4,500 people and is designated as a village centre providing for local needs within the Macclesfield Local Plan. It has a busy central area with a popular shopping area along the A34.
- 6.3 The scheme was provisionally approved in early 2002. It was included in the South East Manchester Multi Modal Study (SEMMMS)

recommended core strategy as part of the "Do Minimum Plus" programme and was considered to be an integral part of the strategy.

- 6.4 A Planning Application was submitted in May 2002 for a single carriageway scheme. This engendered a large public response and over 400 objections. The Council addressed the objections raised, incorporating many changes to the scheme. These amendments were approved and the Council approved the submission of a new Planning Application, made in July 2003. Both 2002 and 2003 planning application submissions were accompanied by public exhibitions of the proposals.
- 6.6 In March 2004 the Council resolved to make the Side Roads and Compulsory Purchase Orders and the Public Inquiry into these was held in January 2005.
- 6.7 In October 2005 the Secretary of State wrote to the Council regarding the decision on the confirmation of the Orders. In this letter he described his considerations of the objections and representations to the Orders plus the Inspector's report on the Inquiry. He confirmed acceptance of the Inspector's conclusions.
- 6.8 The scheme has been assessed as part of the Regional Funding Allocation (RFA) process for major local transport schemes. In July 2005 GONW was invited to submit to Ministers a transport investment programme based on the 10 year RFA for the North West. All potential schemes were prioritised based on a rigorous assessment framework and grouped into quartiles, with those in the top quartile representing the best performing schemes. The bypass scheme satisfied "the wider regional objectives of exploiting opportunities to improve access to knowledge base", which includes its strong links between AstraZeneca and Manchester University, and was proposed to be allocated funding out of Quartile 1 of the RFA. In January 2006 the North West Regional Assembly presented the 10 year programme, which was supplemented by further advice provided in June 2006 suggesting a revised sequencing of schemes. The Secretary of State for Transport subsequently confirmed the first category of schemes that the Government expected to fund during the three year period 2006/7 - 2008/9. This included the A34 Nether Alderley & Alderley Edge Bypass. A revised cost for the scheme of £52.8million was approved on 23 March 2007 by the Regional Transport Board of the North West Region Assembly.

7.0 Options

- 7.1 This approval is being sought, in advance of, but subject to, receiving Full Funding Approval from the Department for Transport (DfT) in order to be able to meet the desired start date of the construction period. It is envisaged that the submission to DfT, seeking Full Funding Approval, will have been made towards the end of week commencing 9 June, i.e.

anticipating subsequent receipt of the necessary approvals / assurances from the Cheshire East Council

- 7.2 The project has been subject to progress reporting with previous key decisions taken by the County Council Environment Executive at stages throughout its development. For example, at its meeting on 7 April 2008, the Environment Executive approved the provision of a footbridge at Footpath No 33 Nether Alderley within the scheme and noted overall progress with contract procurement. Elsewhere in this report, reference is made of the County Council Executive on 24 October 2007, approving the appointment of the preferred contractor.
- 7.3 Since late 2006, Network Rail, when they initiated detailed procurement, have followed their own internal processes and procedures for the design and construction of a rail underbridge for the bypass. This work has been progressed as a series of works orders from the County Council pending the completion of a legal agreement (Implementation Agreement) for signing by the County Council that will describe the obligations of, and risks to, all parties. The works have been programmed to be constructed in two already "booked" rail possessions over the Christmas periods in 2008 and 2009.
- 7.4 During 2007, the civils part of the project - roads, earthworks, drainage and bridge works - were tendered by the County Council based on preliminary design details only. The County Council 's Executive, at the meeting on 24 October 2007, approved the appointment of Birse Civils as preferred contractor, to work with the Council's design teams and develop the design and arrive at an agreed Target Cost.
- 7.5 As well as the two main works contracts described above, the project includes contracts for landscaping works, some of which are programmed to take place during winter 2008/09 with the majority in 2010/11 and diversion of public utilities, principally foul water sewers for United Utilities.
- 7.6 The project has been the subject of a High Court challenge, lodged in August 2007, to the confirmation of the Compulsory Purchase Order. A hearing date in the High Court of 3 June 2008 had been set. Very recently, the challenge has been withdrawn.
- 7.7 The project has to navigate through and complete two stages of DfT approval. The work for Conditional Approval (CA), the stage to be applied for once statutory procedures are in place, is substantially complete. This stage was delayed, awaiting the decision of the Minister of State, because of the 1 May elections. Additionally, DfT earlier confirmed that, because of the existence of a High Court challenge, they would not give Final Approval and thereby Funding Approval (this stage requires the estimate to be based on contractor tender prices) until the challenge had been resolved. Recent discussions with the DfT indicate that, due to the very tight time scales involved and in view

of the timing of the resolution of the High Court challenge, it is probable that the Conditional and Final Approval stages will be rolled into a single process.

- 7.8 DfT, prior to giving Final Approval also require an assurance from Cheshire East Shadow Council that they *would continue to be able to oversee the contract and would have the relevant personnel*. (see Decision 2.4) In addition, arising from Local Government Re-organisation in Cheshire, the Secretary of State for Communities and Local Government has issued a Direction under section 24 of the Local Government and Public Involvement in Health Act 2007. The effect of this, amongst other things, is to prevent the County Council entering into a capital contract in which the consideration payable exceeds £1m without the written consent of Cheshire East Shadow Council. This Direction took effect on 26 May 2008. (see Decision 2.3)
- 7.9 A similar report to this was taken to the County Council meeting on 15 May 2008 and a further report to the County Council is envisaged once the final cost estimate has been established.
- 7.10 The above key milestone programme events have impacted on the programme, delaying the envisaged commencement of construction. The programme originally showed all the Network Rail bridge works being carried out over Christmas 2008 period. It is not now possible to do this because of insufficient lead-in time to manufacture the bridge, however, some use can be made of the rail possession time already booked, to do works that are largely preparatory in nature, which will reduce the risks and thereby costs of the main rail works being constructed in the Christmas 2009 period. The desire and advantageous need to use this earlier possession, drives the timing of the contract award to enable a construction start on site in the autumn of 2008.
- 7.11 However, Network Rail and Birse Rail have advised that to ensure adequate lead in time for ordering of sheet steel piling, as part of the reduced work content over Christmas 2008 period, an order needed to be placed with Birse Rail by mid May. The purchase of the steel is being progressed through a delegated decision notice in accordance with Cheshire County Council Financial Regulations. The budgeted value of this order is £200,000 and at the time of writing this report, three competitive tenders have been sought by Birse Rail from suppliers. If this steel was subsequently not to be required, by reason of the scheme not receiving DfT Funding Approval, then there would be a resale value for the piling, but overall there will be some cost to the County Council.

8.0 Reasons for Recommendation

- 8.1 The decisions sought are critical to the success of the necessary DfT approvals process and, as a consequence, delivery of the project within the demanding time scales set by the constraints referred to in the report.

For further information:

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Background Documents:

Cheshire Local Transport Plan 2006 - 2111

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CHESHIRE EAST COUNCIL

Cabinet

Date of meeting: 16 June 2008
Report of: Paul Ancell – Places Block Lead Officer
Title: Application for consent to enter into a contract – Queens Park, Crewe

1.0 Purpose of Report

- 1.1 To advise the Cabinet of the ongoing programme of restoration works at Queens Park in Crewe, and to seek consent for entering into a contract for Bridge and Lake works.

2.0 Decision Required

- 2.1 To consent to Crewe and Nantwich Borough Council entering into a contract with Wrekin Construction for Bridge and Lake works at Queens Park, Crewe and to agree delegation of consent for future contracts to the proper officer of Cheshire East Council.

3.0 Financial Implications for Transition Costs

- 3.1 None.

4.0 Financial Implications 2009/10 and beyond

- 4.1 None – all costs associated with the restoration works are included in the Crewe and Nantwich Capital Programme and fully funded by CNBC Capital Budget and HLF Grant.

5.0 Risk Assessment

- 5.1 Failure to give consent would at best delay the project, at worst halt the project altogether.

6.0 Background

- 6.1 The Queens Park restoration project was commenced in 2006, and is anticipated for completion in 2009/10. Total costs are in excess of £4m of which £2,775m is funded by the HLF (Heritage Lottery fund). Remaining costs are included in Crewe and Nantwich Borough Council's Capital Budget.
- 6.2 The largest single contract for Lake and Bridge works has been subject to a tendering process, and Wrekin Construction have been chosen as the favoured

contractor. Details of the works, their value and the programme are set out on the attached pro forma.

- 6.3 Further smaller contract awards are expected over the next 12 months, however, it is recommended that delegated responsibility for consent in those cases be given to the Cheshire East Section 151 Officer and Monitoring Officer.

7.0 Options

- 7.1 See risk assessment.

8.0 Reasons for Recommendation

- 8.1 To enable the agreed programme of restoration at Queens Park to continue and for the major groundworks to be undertaken.

For further information:

Portfolio Holder: Councillor Frank Keegan

Officer: Paul Ancell

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Background Documents:

Attached

LOCAL GOVERNMENT REORGANISATION IN CHESHIRE

<p>Application for consent in relation to Direction on disposals /acquisitions/ contracts Local Government and Public Involvement in Health Act 2007. <i>NB You are advised to refer to the contents of the 2007 Act, the Direction, and the General Consent agreed by the Shadow Council(s)</i></p>
<p>Authority applying for the Consent: Crewe and Nantwich Borough Council</p> <p>Authority or Authorities from whom consent is sought: (NB if it is a County transaction the consent of BOTH Shadow Councils may be required) Cheshire East District Council</p>
<p>Transaction in relation to which consent is being sought:</p> <p>The restoration of Queen's Park, Crewe in conjunction with the Heritage Lottery Fund for bridge and lake works – contractor Wrekin Construction Limited</p>
<p>Total value of transaction.</p> <p>£1,641,180.00</p>
<p>Background to the application for consent (including further details of the transaction; matters to which the transaction relates; the location affected by the transaction; and the reasons why consent is considered to be required.)</p> <p>In March 2005 the Heritage Lottery Fund (HLF) approved a grant of 2.775 million for the restoration of Queen's Park. On 21st July 2005 CNBC's Board approved the procurement approach, authority to enter into a legal agreement with HLF and a budget for the overall project. The budget was revised by CNBC's full Council in 2008.</p> <p>Wrekin Construction Ltd have been approved in accordance with CNBC's regulations as to contract as the lowest tender. The budget allocated by CNBC for bridge and lake works is £786,800. The budget allocated by the HLF for these works is £860,400. Wrekin's tender is therefore within and will be met by an existing budget. CNBC's contribution equates to less than 50% of the overall cost. Consent is required as the overall cost is greater than that permitted by the general consent.</p>

Implications if consent were to be refused.

If consent is refused it could jeopardise the overall restoration programme for the park and put the HLF grant at risk. Failure to carry out the works may also place CNBC in breach of the legal agreement with the HLF. Queen's Park was gifted to the authority on trust for the benefit of the inhabitants of Crewe. CNBC therefore has an obligation to restore the park and make it fully accessible to the public as soon as possible.

Implications (if any) on the financial position(s) of Cheshire West and Cheshire and Cheshire East Councils.

The bridge and lake works have an estimated contract length of 32 weeks. They are programmed to commence on 21st July 2008 and targeted competition is therefore end of February 2009 and before vesting day. The new bridges have an estimated design life of 50 + years, however the bridges currently in situ represent a health and safety risk and have a high maintenance cost which will then transfer to the new authority.

Timescale within which consent needs to be given and any particular implications of any delay in providing consent.

It is estimated that work will commence on site on 21st July. Any delay will have a knock on effect on the programmed works. Additionally the tender guarantees prices to June 2008. It is desirable that the works get under way as soon as possible in view of the increasing construction costs, particularly with regard to steel. Delay in the project leaves the authority open to criticism from both the HLF monitor and members of the public.

Signed

Dated

Contact Officer *Allan Leah:*
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CHESHIRE EAST COUNCIL

Cabinet

Date of meeting: 16 June 2008
Report of: Interim Chief Finance Officer
Title: The Management and Funding of Transitional Costs

1.0 Purpose of Report

- 1.1 To consider the approach to managing and funding transitional costs.
- 1.2 The report provides a progress report on work to identify transitional costs and existing sources of funding. It proposes an approach to the control and reporting of such costs and explains the basis for allocating any costs that cannot be funded from within current budgets across the four existing authorities. While work continues to refine and reduce net transitional costs, there is now an urgent need to invest in preparation for 1st April 2009 and beyond and Members are asked to approve expenditure in specified areas with the aim of achieving a total cost within the current projected maximums.
- 1.3 Members are asked to note that a similar report will be considered by the Cheshire West & Chester Cabinet on 11 June 2008 and in certain areas, such as cross-cutting costs and cost-sharing arrangements, a common approach will be essential.

2.0 Decision Required

- 2.1 To note the progress on identifying transitional costs and existing sources of funding and endorse ongoing efforts to refine and, where possible, reduce net costs.
- 2.2 To consider the expenditure proposals of Block and Workstream lead officers included in Appendix A.
- 2.3 To approve the commencement and/or continuation of expenditure in each Block and Workstream, as set out in Section 3.4 and Appendix A, with the aim of minimising the cost and subject to quarterly monitoring reports.
- 2.3 To agree the approach to controlling and monitoring agreed transitional costs detailed in Section 6.

3.0 Financial Implications for Transition Costs

- 3.1 This report focuses primarily on the direct costs of change (eg election expenses, running costs for Shadow Authorities, adaptation of ICT systems etc). Indirect costs, such as staff spending part of their time on LGR, have not

been identified or are assumed to be fully funded. No assessment has been made at this stage of potential severance costs.

3.2 In order to align with the Implementation Plan, individual lead officers for the various blocks (People, Places, Performance and Capacity) and cross-cutting workstreams (Finance, ICT, HR etc) were asked to identify transitional costs and existing sources of funding. They were reminded of the content of the People and Places business case, of the need to focus on essential costs of transition rather than desirable service enhancements and the strong presumption against the funding of backfill costs.

3.2 These responses were then evaluated by the two Interim Chief Finance Officers using the following criteria.

- whether the expenditure was strictly necessary and could demonstrate value for money
- whether the expenditure needed to be and could realistically be incurred prior to Vesting Day
- duplication between responses
- consistency across East and West Cheshire (ie where the figures were different, was there a justification for this?)
- consistency with the People and Places submission where this had specified costs
- the scope for absorbing costs or funding from existing budgets (including capital)

As a result of this evaluation the gross transitional costs for Cheshire East, identified by Block and Workstream lead officers, were reduced from £11.5m to £8.2m which, with estimated funding from existing budgets of £3.5m, left net transitional costs of £4.7m. This position was reported to the Cheshire East Joint Committee on 6 May 2008.

3.3 The two Interim Chief Finance Officers, with the support of the Joint Implementation Teams were however, strongly of the view that further work was required to refine and where possible reduce the gross costs and to identify further sources of funding. Members of the Joint Committees endorsed this approach and agreed that:

- a) Urgent expenditure in a limited number of areas is approved (see Appendix A).
- b) Block and Workstream lead officers are asked to re-evaluate their estimates against the criteria set out in paragraph 3.2.
- c) Further challenge of the figures is undertaken by Finance Officers.

- d) Finance Officers work with Block and Workstream leads and existing budget managers to identify existing sources of funding.
- e) A further report on the outcome of this work is reported to the Implementation Cabinets.

3.4 The revised proposals from Block and Workstream Lead Officers resulting from this work are attached at Appendix A. The potential gross cost for Cheshire East is now £9.300m with estimated funding from existing sources of £5.392m resulting in potential net transitional costs of £3.908m. The advice of the Joint Implementation Team is that while work will continue to refine and where possible reduce these costs the estimates are now sufficiently robust and the need to spend sufficiently pressing that Members be asked to approve spending in the areas specified in Appendix A. These net costs amount to £2.657m as follows:

Potential Known Net Cost for Approval	£000
People:	
Disaggregation of Performance Data	30
Business Continuity/Contract Disaggregation	60
System Changes	150
Other	33
Sub-Total	273
Performance & Capacity:	
Support for Members/Shadow Authority	80
Management Pay	450
Staff Training	100
Logos/Branding	250
Procurement – EU Legal Consultancy	50
Other	75
Sub-Total	1,005
HR Workstream:	
Appointment of Key Senior Positions	100
Other	12
Sub-Total	112
ICT & Knowledge Management:	
Common Network Infrastructure	75
Key Business Application Imp/Consolidation	274
System Changes	512
Additional Licences	150
Other	28
Sub-Total	1,039
Customer Access:	
Training Development & Support	50
Telephony System	115
Knowledge Base	63
Sub-Total	228
Total	2,657

Members will note that Appendix A also includes activities and costs which are not considered urgent/robust and these will be the subject of a further report to Members before significant expenditure is incurred.

4.0 Financial Implications 2009-10 and Beyond

- 4.1 In evaluating transitional costs officers have sought to avoid short-term approaches which minimise costs in 2008-09 but increase future costs and do not secure value for money over the medium term.
- 4.2 This report focuses primarily on transitional costs in 2008-09 (ie up to Vesting Day) but some slippage of expenditure into 2009-10 is likely. Some activities such as the adaptation of properties and ICT systems will continue beyond 1st April 2009 and are likely to incur additional costs in 2009-10 and perhaps beyond, which will need to be funded from delivered savings. Costs will also be incurred in 2009-10 on severance, staff training and relocation.
- 4.3 Some of the existing budgets being used to fund transitional costs are capital budgets which are financed by borrowing. The resulting debt will need to be serviced beyond 2008-09 by the new Authorities. This is particularly true of the County Council's contribution to ICT costs but this expenditure was planned as part of the Capital programme and fully financed through the Medium Term Financial Strategy. It is therefore expenditure that has been redirected to meet the priority needs of LGR rather than additional expenditure.

5.0 Risk Assessment

- 5.1 'Strategic financial issues' are listed on the risk register with a specific reference to the management and control of transitional costs. Too high a level of transitional costs would have an adverse impact on the financial status of the new authority, its ability to maintain an adequate level of reserves and ultimately on service delivery. However, failure to invest adequately in necessary transitional activity, risks failure to meet service commitments on 1st April 2009 and beyond and could prove a false economy if it resulted in higher costs post 1st April 2009. The approach that has been adopted to date and is described in this report seeks to strike a balance between these conflicting risks by having a clear process to identify, challenge, manage and monitor transitional costs.

6.0 Management of Transitional Costs

- 6.1 Block and Workstream leads need to be empowered to procure and deploy resources as required, to ensure the timely delivery of their agreed work programmes, provided they operate within agreed budgets and the appropriate financial and procurement procedures. It is proposed therefore that:
 - a) where appropriate, each Block and Workstream lead officer is assigned a budget in accordance with agreed costs.

- b) Block and Workstream leads authorise all expenditure against these budgets and report on a regular basis (ie quarterly) in a form to be determined by the Chief Finance Officer, to the JIT and the Shadow Cabinet.
 - c) Block and Workstream leads continue to work with Finance Officers to refine and where possible reduce costs and identify further sources of funding.
- 6.2 Given that Block and Workstream leads will now have significant financial responsibility it is proposed that all Blocks and Workstreams be assigned a nominated Finance Officer.
- 6.3 Officers will continue to operate under the financial and procurement procedures of their own authority. Where it is necessary to procure external goods and services, legal and procurement advice may be required to ensure we make best use of existing contracts to secure value for money and comply with good governance principles. In addition, it is likely that each Authority will wish to put in place its own internal arrangements for the control and monitoring of its expenditure on transitional costs.

7.0 The Funding of Transitional Costs

- 7.1 The Statutory Order requires all seven existing authorities to agree cost-sharing arrangements. The fall back position is arbitration but the position is complicated by the fact the Authorities are already contributing to varying degrees from existing budgets. The cost sharing arrangements have been discussed by the existing authorities and reported to the Joint Committees. The following approach to the funding of transitional costs has been adopted:
- a) separate budgets for Cheshire East and Cheshire West & Chester to reflect the fact that the two Shadow Authorities will in some areas adopt different policies and approaches with different cost implications.
 - b) the District Council element of cost to be shared pro rata to tax base.
 - c) the County Council to bear 45% of the costs for both Cheshire East and Cheshire West & Chester.

- 7.2 This approach results in the following cost-sharing proportions:

Cheshire County Council	45%	(East and West)
Congleton Borough Council	13.5%	(East only)
Crewe & Nantwich Borough Council	16%	(East only)
Macclesfield Borough Council	25.5%	(East only)

It is recognised that the financial position of existing Authorities regarding reserves and cash flow differs and that a pragmatic approach will be required as regards any recharges between authorities to reflect the above proportions.

It should be noted, however, that all existing authorities have concerns regarding affordability if the net costs exceed the amounts stated in the People and Places submission. This reinforces the need to revisit both the potential costs and the potential for funding from existing budgets.

8.0 Conclusion and Reasons for Recommendation

- 8.1 Significant progress has been made in evaluating and challenging transitional costs, identifying sources of funding, establishing control mechanisms and cost sharing arrangements. Ongoing work is required to refine and where possible reduce the net costs but in the meantime the areas of expenditure specified in Appendix A require urgent endorsement if essential work is to progress.

For further information:

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Background Documents:

Joint Committee Report – Management and Funding of Transitional Costs – 6th May 2008

Transitional Costs Summary

	2008/09	2008/09	2008/09
EAST	Total Potential costs (Revenue & Capital)	Total potential funding	Potential Net costs (Revenue & Capital)
Block / Workstream	£'000	£'000	£'000
People	698	35	663
Places	110	110	0
Performance and Capacity	2,462	779	1,683
<u>Joint:</u>			
Human Resources	248	13	235
Finance	127	127	0
ICT Provider and Knowledge Management	4,499	3,450	1,049
Information Management	499	499	0
Customer Access	657	379	278
TOTAL	9,300	5,392	3,908

2008/09	2008/09	2008/09	2008/09
Net Costs Agreed by Joint Committee	Potential Known Net Costs for Approval	Potential Net Costs - Further Work Required	Potential Net costs (Revenue & Capital)
£'000	£'000	£'000	£'000
0	273	390	663
0	0	0	0
20	1,005	658	1,683
55	112	68	235
0	0	0	0
0	1,039	10	1,049
0	0	0	0
0	228	50	278
75	2,657	1,176	3,908

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CHESHIRE EAST COUNCIL

Cabinet

Date of meeting: 16 June 2008
Report of: Interim Chief Finance Officer
Title: Financial Planning Process

1.0 Purpose of Report

- 1.1 To consider the financial planning process for 2009-10 and beyond.
- 1.2 In February 2009 the Council will need to set its budget for 2009-10. This report sets out a high level process for arriving at this Budget having regard to issues of affordability, prioritisation, sustainability and value for money. The reports primary focus is the next few months of this process.
- 1.3 The report provides an initial assessment of the scale of financial responsibilities the Council is likely to inherit from the four existing Councils by analysing current budgets to arrive at a notional, 2008-09 Budget. It also highlights some of the key dependencies between the financial planning process and other workstreams and the linkages with similar processes in Cheshire West & Chester.

2.0 Decision Required

- 2.1 To agree the high level financial planning process and the next steps as detailed in Appendix A.
- 2.2 To note the initial assessment of the notional 2008-09 budget as detailed in Appendix B.
- 2.3 To note the key dependencies with other workstreams and with similar work in Cheshire West & Chester.

3.0 Financial Implications for Transitional Costs

- 3.1 There are no implications for transitional costs in 2008-09 but as discussed in a separate report on this agenda the level of transitional costs will have an impact on the 2009-10 budget.

4.0 Financial Planning Process for 2009/10 and Beyond

- 4.1 In a normal year Members have to wrestle with the issues of balancing cost and demand pressures, spending priorities, shortfalls in funding, value for money and Council Tax. However, they do so against the background of an

established base budget which reflects the Council's current structures and policies and a Medium Term Financial Strategy. In the coming year the challenge is far greater because this baseline does not exist and there is greater uncertainty. It is important therefore to start the financial planning process early and to recognise that several iterations will be required before February.

- 4.2 It is suggested that the Council's Medium Term Financial Strategy should be developed alongside the 2009-10 budget and that initially that strategy should cover a period of three years (2009-12).
- 4.3 The high level financial planning process as set out in Appendix A sets out a number of stages or iterations as follows:

Stage One (April - June 2008) - 2008-09 Baseline

Work is already well advanced to disaggregate the County Council's 2008-09 Budget and to aggregate those of the District Councils. This provides a notional baseline 2008-09 Budget for the new Council and gives an indication of the scale of its financial responsibilities (see section 5 and Appendix B). Work is also underway to disaggregate/aggregate grants, capital programmes and balance sheets (ie assets and liabilities). The Government has set a deadline of the end of July for the new Councils to agree the disaggregation of the Dedicated Schools Grant (DSG) and other Children's Services grants, and of September for the Council to reach agreement with Cheshire West & Chester on the disaggregation of the County Council's budget and revenue support grant (RSG) and the transfer of assets and liabilities. If agreement cannot be reached then the Government will arbitrate. In practice though, information is needed in June/July in order to begin the planning process so some provisional assumptions will need to be made.

Stage Two (June-September) - High level Planning

This stage involves making some high level planning assumptions to establish the overall financial envelope, both revenue and capital, within which the Council will need to operate and then setting financial parameters for the design of individual services. The overall financial envelope will need to take into account factors such as inflation, government grant, Council Tax, transitional costs and any appropriation to/from reserves. The financial parameters for the design of individual services will need to take account of factors such as the Council's priorities, commitments and growth pressures, and the scope for efficiency savings (including those included in the People and Places Business Case). Establishing these parameters in July will allow work to be undertaken in August-September on high-level service design. It is suggested that the opportunity also be taken to incorporate best practice from elsewhere by, for example, the use of benchmarking to ensure value for money. The output from this stage would be high level service design and budget options by early October.

Stage Three (October - December) - Refinement and Adjustment of Options

This stage involves making any necessary adjustments to the high-level options and then undertaking detailed planning and budget modelling. This would include the outcome of the budget, grants and balance sheet disaggregation, discussions with Cheshire West & Chester and government grant announcements. The work would be aligned with consultation on the Interim Sustainable Community Strategy and Corporate Plan. The output from this stage would be detailed budget options for consultation in January 2009.

Stage Four (January-February) - Finalisation of 2009-10 Budget

This stage involves budget consultation, final adjustments and refinements and the setting of the Budget and Council Tax for 2009-10.

The above process is designed to be flexible so that Members can amend the details and the timescales as necessary.

5.0 Notional 2008-09 Budget

- 5.1 Appendix B provides an initial assessment of a notional Budget for 2008-09 based on disaggregation of the County Council's budget and aggregation of those of the three District Councils. The final disaggregation of the County Council's budget has not yet been agreed with Cheshire East so the figures should be regarded as provisional. The information has been analysed initially on a bottom line basis but is built up from a large number of separate cost centres so is capable of being analysed in a number of ways including staffing and non-staffing costs.
- 5.2 Members are asked to note that while this baseline budget information may be a useful guide to future spending, budgets will not transfer automatically from the old Councils to the new and they certainly will not automatically bring with them the necessary funding. The Council will need to determine new budgets having regard to its own priorities and funding levels. Indeed this is a unique opportunity to challenge existing patterns of spend.

6.0 Key Dependencies

- 6.1 Work on the budget needs to be aligned with all the various workstreams but the following dependencies are key:
 - The development of the Interim Sustainable Community Strategy and Corporate Plan and work with partners and stakeholders (eg Health).
 - The HR workstream (staff structures, aggregation and disaggregation of existing staff, appointments and severance).
 - Service design.

- Parallel work with Cheshire West & Chester including budget, grant, capital programme and balance sheet disaggregation and any joint arrangements.

7.0 Risk Assessment

- 7.1 An early assessment of the financial scenario is essential if service design and policy development for the new Council is to be informed by affordability considerations. However, there is still very significant uncertainty regarding future funding and costs, therefore the planning assumptions need to be monitored and the financial scenario is likely to change. The process therefore needs to be flexible and responsive. Early involvement of Members, giving a clear steer on priorities combined with robust challenge of existing spending patterns, information on best practice and benchmark costs from elsewhere, should address the risk of reproducing what we have already got.

8.0 Conclusion and Reasons for Recommendation

- 8.1 While many of the factors necessary to develop a robust budget are currently highly uncertain the Council faces a major challenge in developing an affordable budget, policies, procedures and services from almost first principles in the space of less than nine months. It is important therefore to start the process but to build in flexibility and several iterations to cope with the uncertainty. The proposed process aims to provide that flexibility while ensuring steady progress towards a soundly based budget in February 2009.

For further information:

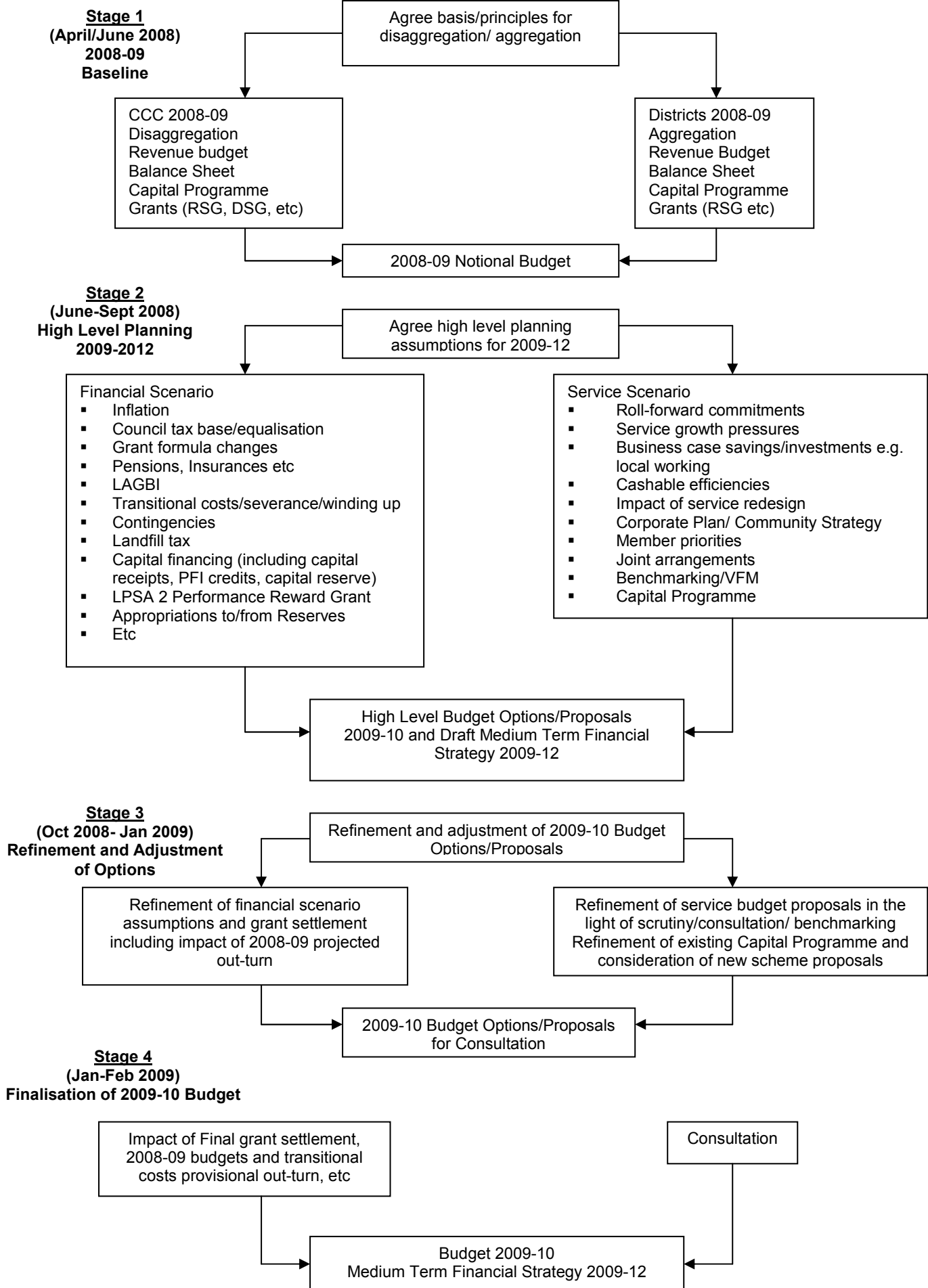
Officer: Lisa Quinn, Interim Chief Finance Officer

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Background Documents:

None:

2009-10 BUDGET SETTING – OUTLINE PROCESS/ TIMETABLE

NOTIONAL 2008-09 BUDGET

	Cheshire CC (1) £M	Congleton £M	Macclesfield £M	C&NBC £M	Total £M
Base Service Budgets	355.026	12.262	20.155	16.377	403.820
Other (3)	10.686	(0.847)	(1.623)	(0.848)	7.368
Total	365.712	11.415	18.532	15.529	411.188
Less DSG (2)	(176.794)				(176.794)
Budget Requirement	188.918	11.415	18.532	15.529	234.394

NOTES

- 1) Figures are provisional pending agreement with Cheshire West and Chester on budget disaggregation.
- 2) Dedicated Schools Grant expenditure is matched by government specific grant but the magnitude of this expenditure means net figures fail to convey the scale of resources the Council is now responsible for. All other figures are shown net of specific grants and other income.
- 3) 'Other' includes capital financing and certain one-off costs partly offset by interest on balances and use of reserves

CHESHIRE EAST COUNCIL

CABINET

Date: 16 JUNE, 2008
Report of: CHESHIRE EAST PEOPLE WORKSTREAM LEAD OFFICER
Title: SOCIAL CARE AND HEALTH INTEGRATION

1.0 Purpose of Report

- 1.1 This report seeks to make the Cabinet aware of the national and local agendas towards the integration of Social Care and Health services.
- 1.2 The report recommends the Cabinet to approve that direction of travel and to make it a fundamental design principle as People Directorate commissioning and service delivery are developed.
- 1.3 Recommendations to that effect were put before the Cheshire East Joint Committee. At its meeting on 25th March, 2008 the Joint Committee resolved to commend those recommendations to its successor body, the Cheshire East Shadow Council.

2.0 Decision Required

- 2.1 The Cheshire East Cabinet is recommended to:-
- 2.2 Support the general direction of travel towards greater integration of Social Care and Health.
- 2.3 Agree that it should be a fundamental design principle in putting together the Social Care services of the new Council.
- 2.4 Request the Chairman of the People Workstream and the Chief Executive of the Primary Care Trust to bring forward specific, detailed proposals in relation both to the commissioning and the delivery of services as and when appropriate, in pursuit of that direction of travel.

3.0 Implications for Transitional Costs

- 3.1 There are no specific implications from this decision in itself.
- 3.2 As detailed proposals are put forward the transitional cost implications, if any, will be addressed as part of them.

4.0 Background and Options

- 4.1 A push to integrate Social Care and Health services has been part of National Government policy for some time.
- 4.2 That push, for example, was prominent within '**Every Child Matters**'. A fundamental aspect of the Government's response to Lord Laming's Inquiry into the death of Victoria Climbié was that services needed to be brought together structurally to ensure their leadership and management as a single system. <http://www.everychildmatters.gov.uk>
- 4.3 That analysis was embodied in the **Children Act, 2004**. That legislation not only specified a duty of partnership, it also set out a requirement for the development of Children's Trusts. Initially attention has been focused upon the Children's Trust as a commissioning entity, but it is clear that there is a logic within that towards the integration of service delivery too.

<http://www.everychildmatters.gov.uk/strategy/guidance/>

http://www.dh.gov.uk/en/Publicationsandstatistics/Lettersandcirculars/LocalAuthorityCirculars/AllLocalAuthority/DH_4068210

- 4.4 A similar push has been apparent in Social Care services for Adults and Older People. It was made manifest, for instance, in the Green Paper, **“Independence, Wellbeing and Choice”**.
<http://www.dh.gov.uk/en/AdvanceSearchResult/index.htm?searchTerms=Independence%2C+Wellbeing+and+Choice>
- 4.5 That Green paper was followed by the White Paper, **“Our Health, Our Care, Our Say”**, which put forward some clear expectations about progress towards service integration. The White Paper championed Joint Commissioning, both as something worthwhile in itself and as an engine to drive forward service integration. <http://www.dh.gov.uk/en/Healthcare/Ourhealthourcareoursay/index.htm>
- 4.6 When the Primary Care Trusts (PCTs) of England were reorganised eighteen months ago, they were instructed to divest themselves of all their community service provision. In the event, it was realised that sudden externalisation along those lines was neither practicable nor safe, and PCTs were given more time to separate their main commissioning function from service delivery
- 4.7 Cheshire’s two PCTs have now largely consolidated since that reorganisation and, in common with all PCTs in the country, are now seeking to address the future of their services.
- 4.8 Around the country PCTs are exploring a variety of different responses to that challenge:-
- Some PCTs are interested in getting Acute provider Trusts to take over Community National Health Service provision.
 - Some are looking to establish their provision as Social Enterprises, at arm’s length from them.
 - In some situations PCTs and Local Authorities are considering the merger of their service provision. Locally, for instance, Knowsley Borough Council have already moved in that direction.
- 4.9 In the wake of the dramatic service failures in Cornwall, the Government is now interested in giving Local Authorities responsibility for the services for Adults with Learning Disabilities which are currently with the NHS. In November 2007 the Government published a Green Paper, **“Valuing People Now”** which inaugurated a consultation on that proposal.
http://www.dh.gov.uk/en/Consultations/Closedconsultations/DH_081014

5.0 Joint Commissioning

- 5.1 The two Primary Care Trusts and the County Council have been working to develop Joint Commissioning for some time. In 2006 they collectively appointed a Joint Director of Joint Commissioning, Neil Ryder.
- 5.2 The work of the Director of Joint Commissioning has been steered at officer level through a small Joint Commissioning Board which has brought together the Director of Community Services, the Director of Children’s Services and the two PCT Chief Executives.
- 5.3 The Director of Joint Commissioning has been working closely on the development of arrangements for Joint Commissioning through the Children’s Trust. He has also worked across the adult Social Care and Health system. Widespread sign-up has been achieved right across those systems to a common language and methodology of commissioning.

- 5.4 The North-West has been selected to implement and develop “**World Class Commissioning**”, a set of competencies and quality standards for commissioning. There is therefore an opportunity to extend that common approach across the NHS and Local Authority system.
<http://www.dh.gov.uk/en/Managingyourorganisation/Commissioning/Worldclasscommissioning/index.htm>

- 5.5 The Director of Joint Commissioning recently organised a workshop, the purpose of which was to share information about the range and variety of integration models which are being developed across the country.

6.0 Integrations

- 6.1 It is convenient to talk of integration, but in reality there are likely to be integrations.
- 6.2 Firstly, it is necessary to distinguish between the integration of commissioning and the integration of service provision.
- 6.3 The Children Trust arrangements which are being put into place are essentially arrangements for the integrated commissioning of children's services on a whole system basis. The Pooled Budget for services for Adults with Learning Disabilities is a different approach, but it too is an example of integrated commissioning across the Social Care and Health boundary. If integration is the agreed direction of travel in commissioning, it will be appropriate, in developing the People Directorate, to establish Joint Commissioning posts in partnership with the Primary Care Trusts.
- 6.4 Some integration of provision has already taken place. The multi-disciplinary Community Mental Health Teams which provide services to people with Mental Health problems are an example. In those teams staff who provide services both from Social Care and Health are fully integrated under single management. The opportunity exists to take the integration of service provision much further.
- 6.5 Secondly, there will be different solutions for different services. What is appropriate for Children's Services may not be entirely appropriate for services for Older People. Moreover, the integrations may not be confined just to Health and Social Care. If the new Council is committed to equipping itself with a capacity to enable it to address its responsibility to improve the health of its local population, it might want to consider the integration of NHS Public Health staff with Environment Health staff, and with staff from Trading Standards.
- 6.6 Thirdly there are integration possibilities at the logistical level too. In support of both Social Care and NHS services for adults, the County Council, the two Primary Care Trusts and parts of the NHS Acute Sector have developed an integrated approach to Single Assessment, through agreement to purchase and use a single, integrated system across the piece.

7.0 The Opportunity and The Outcomes

- 7.1 Most of these arrangements have come into being in response to national policy drivers, the availability of funding, and the leadership of particular Members and officers with a forward reaching vision.
- 7.2 The opportunity now exists, as a new Council is created, to embrace the integration agenda more comprehensively and to make that a fundamental design principle for putting People Directorate service together.
- 7.3 The Primary Care Trusts have committed themselves to bring their boundaries into line with those of the new Councils. Experience across the country shows that when there is Local Government and NHS coterminosity, and when that situation is enhanced by a common vision of the opportunities, the scope for improvement in the experience of services users is enormous.

- 7.4 The experience of service users must define the principal outcome to be secured through moving in this direction. The separation of Health and Social Care services is a fundamental fissure in the fabric of public sector provision and policy developments in that area in recent decades have been dominated by attempts around the edges to ameliorate the most negative consequences of that structural separation. There is an opportunity now to take more radical measures in pursuit of the outcome that those using services experience them as completely joined up, with no discontinuities or demarcations getting in the way of a rounded response to their needs.
- 7.5 We cannot afford to be indifferent to the outcome of cost saving. More comprehensive joint commissioning should ensure that greater value is extracted from the resources available. More comprehensive integration of provision should ensure significant economies in the costs of service delivery.

JOHN WEEKS
Director of Community Services

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CHESHIRE EAST COUNCIL

CABINET

Date of Meeting:	16 June, 2008
Report of:	JOHN WEEKS - PEOPLE BLOCK EAST LEAD OFFICER
Title:	CHILDREN'S TRUST

1.0 Purpose of Report

- 1.1 This report sets out the background and issues in relation to Children's Trust arrangements from 1 April 2009 for both the East and West Cheshire areas. This is a Key Decision for both authorities. Members (in the East) have recently asked for a revised paper that clearly sets out the pros and cons of the options available to them. All consideration of the advantages and disadvantages as set out in this paper are made in the context of the new Authorities ultimately being accountable for any and all Children's Services and Trust arrangements within their local area from 31 March 2009.

2.0 Decision Required

- 2.1 Members need to decide what Children's Trust arrangements their local authority area will put in place for 1 April 2009. The Shadow Authority needs to establish a view on which arrangement will:
- best serve the interests of its Children and Young People;
 - best help the authority develop and deliver its policies in relation to its Children and Young People;
 - best support and deliver on its local priorities as set out in its Children Plan;
 - fit best with the separate administrative and inspection arrangements of the local authority;
 - best enable effective planning, decision-making and commissioning with local partners;
 - best relate to the other Partnership Structures, such as LSPs and the LAA arrangements; and
 - best achieve the future objective of a functional commissioning Trust
- 2.2 This issue has previously been considered by the current Cheshire Children's Trust and the People blocks for both West Cheshire and Chester and East Cheshire and the West JIT. The advice of all bodies that have considered this matter is that the current Children's Trust arrangements should formally cease on 31 March 2009 and new separate Children's Trusts for East and West Cheshire formally take effect from that time.
- 2.3 It is recommended that separate Shadow Trusts, if approved, should be set up well before 1 April 2009 to enable continuity between current and future Trust arrangements, and in particular to advise each authority on the separate Children Plans and related targets that each authority has a duty to develop.

3.0 Financial Implications for Transition Costs

- 3.1 The local authority will need to ensure that adequate Business Unit resources are in place to support whatever Children's Trust arrangements are approved. If two Trusts are adopted then separate Business Units will be needed. If a single Trust is adopted then it is likely that a larger Business Unit will be needed to support the development and monitoring of two Children's Plans for example, in addition to the development and monitoring of specific Trust projects. Whatever decision is made on 1 or 2 Children's Trust's there will have been a disaggregation of budgets that relate to each new LA - this will cover schools finance, Area Based Grants, Social Care, Children's Centres, Contact Point etc.

4.0 Financial Implications 2009/10 and beyond

- 4.1 It is assumed that Business Unit support to the Trust will be funded from within People/Children's Services Department resources and from subscription payments from Trust members.

5.0 Risk Assessment

- 5.1 There are no risks to services or people arising from a decision to have either one or two Trusts in the short term, but there is a risk of a loss of political accountability from having a single Trust for two local authorities.

6.0 Background

- 6.1 The attached Key Issues Brief and Options Appraisal considers the pros and cons of the two options set out below.

7.0 Options

- 7.1 Option 1: Single pan-Cheshire Children's Trust reporting jointly into the two new Unitary Authorities; or
- 7.2 Option 2: Separate Children's Trusts reporting separately into to each new Unitary Authority.

8.0 Reasons for Recommendation

- 8.1 A single Trust arrangement would be more complicated to operate and less directly and clearly accountable to its local authority, its policies and priorities. For this reason two separate Children's Trusts are recommended. Further advantages and disadvantages are given below.

For further information:

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Background Documents:

Documents are available for inspection at: n/a

KEY ISSUES BRIEF

Legal Issues

The 2004 Children Act sets out requirements for Children's Trust arrangements to be established in every area (in England) by April 2008. Although Children's Trusts are not 'statutory', the Children Act 2004 clearly states that these are the *preferred* models for delivery. They are intended as the vehicle to fulfil the 'duty to cooperate' bringing together education, health, social care and other partners, to promote collaborative arrangements with the aim of improving children's well-being.

- **The lead local authority in the given area has responsibility for driving these arrangements.**
- **The Director of Children's Services is accountable for the functioning of the Trust.**
- **The Lead Executive Member for Children is politically accountable for the Trust.**

"Local authorities must take a lead in making arrangements to promote co-operation between local agencies whose work impacts on children within the authority's area. As joint stakeholders, the relevant partners must cooperate with the authority in the making of those arrangements and will wish to help shape them so as to ensure that co-operation results in improvements in all areas of service delivery and in associated outcomes for children and young people¹".

The Government's recently published Children's Plan notes that in Spring 2008:

'we shall reflect the importance of the local authority role as strategic commissioner of services in revising guidance on Children's Trusts, the Children and Young People's Plans and the role of Director of Children's Services and lead members'....and further to monitoring the difference Children's Trusts are making 'examine whether Children's Trust arrangements need to be strengthened to improve outcomes, including by further legislation'.

National models for Children's Trusts

The predominant model nationally for Children's Trusts is non-legal partnering arrangements covering the Children's Service Authority footprint. **There is no known example of a Children's Trust covering more than one Children's Service Authority area.** However, Cheshire does currently reflect other places in that there are Trust members representing organisations that cover more than one Children's Service Authority area for example Cheshire Fire or Police services, which already cover both the current Cheshire Children's Trust and the Warrington Children's Trust.

¹ Statutory guidance on inter-agency co-operation to improve the well being of children: Children's Trusts (Statutory Guidance 2005)

Role of a Children's Trust

As a minimum Children's Trusts must enable joint priority and action setting with local partner agencies (such as health and the police) articulated through the Children and Young Peoples Plan. The expectation is that a Children's Trust will lead and guide change by establishing priorities for its local area and developing arrangements with local Trust partners for tackling them. All Trusts are charged with ensuring there is;

- *Child-centred, outcome-led visions*
- *Integrated front line delivery*
- *Integrated processes*
- *Integrated strategy (joint planning and commissioning with Trust partners)*
- *Inter-agency governance*

In all of the above the expectation is that the Trust arrangements will add value to the existing position and that partnership approaches will deliver improvements. The indications are that Trusts will be expected to be more dynamic and focussed on translating priorities into change through a commissioning approach.

Commissioning Issues

Commissioning covers 2 principal arrangements:

- A commissioning approach to re-engineer or refocus current resources or services to meet agreed priorities;
- A commissioning approach to manage new or otherwise unallocated finance to invest

Both of the above are based on the premise of this being locally sensitive and decisions to de-commission running in parallel with commissioning.

Commissioning covers a range of activities incorporating local needs analysis, local priority and target setting, service reviews and performance management. The expectation is that Children's Trusts will undertake commissioning in collaboration with partners and resource the infrastructure to make it happen, eg by ensuring there are connected staffing arrangements for each phase of the commissioning process. Such staff may continue to be employed within their host organisations but an integrated commissioning and business unit approach for each Trust is a given for the future.

Both new Unitary Authorities will need to design into their structures how they will develop such commissioning functions within their local partnerships. Accordingly a 1 or 2 Trust arrangement will be a significant factor in this, as will each authority's approach to where it seeks to build partnerships.

It is important to note that Option 2 (two Trusts) does not rule out joint commissioning between 2 Authorities as the intention of separate Trusts could be on occasion to seek partnership approaches where this is desirable and practicable. There are already examples of services being jointly commissioned or procured across Children's Services Authority boundaries by groups of authorities/organisations in the context of the local needs (eg Looked After Children (LAC) placements, and Child and Adolescent Mental Health Services (CAMHS)).

Membership Issues

Current membership of the Children's Trust reflects the majority of key commissioners and providers of services to children in Cheshire. In future only 1 or 2 local authorities (rather than the present 7) would have representation, although a similar breadth of members would be needed for the other organisations.

A 2 Trust arrangement would see the total number of members reduce slightly for each Trust with only 1 Primary Care Trust (PCT) attending as appropriate to East or West. Certain members would need to attend an extra set of meetings – Police, Police Authority, Fire, Connexions, Learning and Skills Council (LSC) would each be invited/required to attend both – but that is already the case for those organisations in relation to Warrington MBC, for example, and all those members have indicated that being part of an extra Trust would not be a problem for them.

A 1 Trust arrangement is likely to have more Trust members than at present on the basis of each LA's requiring its Director of Children's Services to be represented (there would also be an issue to resolve in relation to who would Chair the meetings) – as well as both Lead Members (if the LAs were minded to follow the current Trust membership which has the Lead Member for Children as a member of the Trust). Both PCT's would be members and schools representation would almost double given the forthcoming separation into East and West of some of the key school associations to reflect the two local authority areas.

Governance, Leadership and Identity

The 2 respective local authorities that will be accountable for the functioning of the Trust(s) will be expected to guide and lead it.

If a single Trust were adopted then there would need to be joint agreement between the two authorities on governance (and business unit support and funding) between the Councils. As an example, protocols on decision making would be needed in a single Trust arrangement as representatives from one local authority area could not make decisions that affected a different local authority area.

In addition, Children's Trusts are expected to develop a local 'identity' and presence as the locus for Children's Services leadership. For example Trusts are referred to as the reference point for leadership on most national programmes eg Contactpoint, Childcare Strategy, Care Matters etc. **In many respects a single Trust would be serving two masters and consequently dealing with two portfolios of business.**

Children's Plan

The production of a Children and Young People's Plan is a statutory requirement for every Local Authority and two separate Plans will need to be produced whatever the configuration of Trust arrangements.

A single Children's Trust would therefore be required to develop and monitor two Children's Plans and two sets of targets. A two Trust arrangement would only require each Trust to develop and monitor one Plan and set of targets for its local authority area.

Inspection, Performance Management and Targets

There will be separate inspection arrangements for each local authority under the new Comprehensive Area Assessment (CAA). Changes to the way priorities are set and financed underpin the changes to local planning and governance. **The CAA and service inspections framework is based on Local Authority footprints and in accordance with LAA and Area Based Grant arrangements will concentrate heavily on each local authority's performance and partnership approaches.**

Each LA will continue to have some form of service level priorities meeting via regional and National Government - increasingly it will be the Trust that will be expected to respond to such inspections.

The Government's 198 National Indicator targets will be applied to each local authority – the population co-ohorts and need will be different and therefore each will have different baselines - for example performance will be different East and West for Not in Education, Employment or Training (NEET) levels, breastfeeding rates and school performance and attainment levels.

Links to other partnerships

Children's Trust's sit as part of a wider set of partnership and governance arrangements - commonly beneath a Local Strategic Partnership (LSP) and in the case of Cheshire and most other authorities with peer partnerships covering the other thematic blocks of the LAA. The Children's Trust acts as the children's block of the Local Area Agreement (LAA).

LSP arrangements from 31 March 2009 are not yet known/decided, but it is understood that separate arrangements (in shadow form) are proposed from January 2009. Should this be the case, then a Trust covering 2 Authorities would by default link to 2 LSP's and depending on other decisions within Performance and Capacity workstreams in relation to LAA set up – probably separate thematic partnerships for the other LAA blocks.

Consideration should be given to the how 1 Trust would relate to the other Partnership Structures and whether it is feasible to have such an arrangement unless other parts of the LSP/LAA structure operate in a similar way

The eventual Local Safeguarding Children Board (LSCB) arrangements should also be factored into these considerations as the LSCB structure is likely to follow Trust arrangements.

Advice of the current Children's Trust

Following consideration and discussion in April 2008 the current Children's Trust formed the following advice in relation to future Children's Trust arrangements for Cheshire:

“That there should be a presumption of moving towards a two Trust arrangement in the future – one for the East and one for the West . There was clear consensus that 2 separate Children's Trusts will be needed in the medium to long term.”

In addition the following accompanying advice was offered by individual members on the Trust:

- That a focus must be retained during the transitional phase on current priorities in relation to children and young people;
- That collaborative working arrangements between East and West should be retained wherever practicable, acknowledging that some services will continue to operate across the existing Cheshire boundaries;
- That delaying a transfer to separate Trusts will/could hold back the new LA's in developing their thinking in relation to children, young people and other Partnership arrangements.
- That the transition towards a two Trust arrangement should be on a timescale that aligns with other initiatives and projects, such as the Sustainable Communities Strategy; APA generated priorities for new LAs (Sept 08);
- That transition planning should begin as quickly as is appropriate and possible;
- That much has been learnt about developing Children's Trusts over the last 3 years and this must be retained despite the potential loss of many members who have been associated with the Trust to date.

Advantages and Disadvantages Matrix

Advantages of a Single Trust	Disadvantages of a Single Trust	Advantages of Two Trusts	Disadvantages of Two Trusts
Will help to ensure collaborative working and policy development arrangements between East and West.	Accountability and Leadership for a Children's Trust rests with the relevant local authority and in particular that LA's Director of Children's Services and Lead Member. A single Trust would report to two local authorities and service two sets of needs, interests and priorities.	Clearly accountable to a local authority, its DCS and Lead Member.	
If a single LAA and LSP were adopted between the two new unitaries then a single Trust would be more feasible	How would a single Trust relate to the other LA Partnership structures? Is it feasible to have such an arrangement unless other parts of the LSP/LAA structure operate in a similar way (eg 1 LSP covering the 2 new Authorities).	Relates to 2 separate LSPs (if this is the structure that the LAs adopt)	
Could help the new unitary authorities to develop joint commissioning arrangements, if they wished to commission services jointly	Clearly this depends upon needs assessments and commissioning strategies of each LA. It is likely that the LAs will have different needs profiles for children and young people	Option 2 (two Trusts) does not rule out joint commissioning between 2 Authorities as the intention of each Trust could be on occasion to seek partnership approaches where this is desirable and practicable	

	Children's Trusts are expected to develop a local 'identity' and presence as the locus for Children's Services leadership. A single Trust would find this more difficult than separate Trusts	Would have a clear local authority footprint to work within and develop priorities and identity in relation to	
	The CAA and service inspections framework is based on Local Authority footprints. A single Trust would therefore cover two separate inspections areas	Separate Trusts would cover the separate inspection areas under CAA	
	A Children's Plan is a <u>statutory requirement</u> for every Local Authority. <u>Two separate Plans</u> will be needed what ever the configuration of Trust arrangements. A single Trust would need to work with two different Children's Plans rather than be focussed on a single Plan	Separate Trusts would only cover the separate Children Plan's that are a statutory requirement for each authority	
	A single Trust would have a larger membership than at present (over 30). Separate Trusts would allow a smaller Trust membership than at present.	Smaller membership relating to a single LA footprint – leading to more focussed discussions and easier decision making.	
	Joint agreement between the two authorities on governance, decision making and business unit support and funding would be needed. EG - A single Trust could not have representatives from one local authority area making decisions that affected a different local authority area.	No issues in relation to governance and decision making with separate Trusts.	
Opportunity to share a business unit	Extra business unit resources needed in order for one unit to support two LAs (ie 2 Children's Plans to monitoring and reporting on)	Separate business units dedicated to a local area, Trust and set of priorities and targets	Extra business unit resources needed as current business unit would be insufficient to support two Trusts
One possibility would be to maintain a	Such a temporary arrangement would be a lame-duck Children Trust	If a clear decision is taken now to implement two Trusts	There are bound to be concerns from

single Trust for a transitional period beyond 1 st April 2009, with a view to moving to two Trusts, perhaps in the Autumn of 2009. That would maintain some continuity and give more time for the negotiations needed to set things up.	from Day One. The two Councils in Cheshire are already diverging in their culture, arrangements and structure. By 1 st April, 2009 that divergence is likely to be very significant. It is hard to see how a Children Trust known to be on its way out would be able to hold things together. Nor are participants likely to be highly motivated to continue. The possibility of a transitional Single Trust was considered by the Cheshire Children's Trust, and did not find favour with the majority of its members.	from 1 st April 2009 there will be ample time to negotiate with all the players and get them set up ready to run from that date.	some players about the pace of change, but that is a given for all parts of the system and for all participants.
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Conclusion and Recommendation

It would seem evident from the issues listed above that a single Trust arrangement would be more complicated to operate and less directly and clearly accountable to its local authority, its policies and priorities. For this reason it is recommended, in line with the advice offered by the current Children's Trust membership, that separate Trust arrangements be approved by each Shadow Authority, and additionally that Shadow Trusts for East and West be set up as soon as possible (subject to the business unit resources being available to support this) to enable some continuity between current and future arrangements.

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CHESHIRE EAST COUNCIL CABINET

Date: 16 June, 2008
Report of: Chair, Cheshire East People Workstream
Title Personalisation and the Transformation of Adult Social Care

1.0 Purpose of Report

- 1.1 This report seeks to make Cabinet Members aware of the Government's plans to develop Personalisation and to transform Adult Social Care services.
- 1.2 The report shares information about the work which has been done, and which is currently under way, in the Community Services Department of the County Council in support of that.
- 1.3 The report recommends the Cabinet to endorse that work and that direction for the People Directorate, and to agree that, in line with Circular LAC (DH) (2008) 1, those agendas should be addressed and supported by all Directorates.

2.0 Decision Required

The Cheshire East Cabinet is recommended to:-

- 2.1 Note and endorse the work done and under way to deliver Personalisation and Transformed Social Care Services for Adults.
- 2.2 Agree that further work should be done through the People Workstream to develop and deliver those agendas.
- 2.3 Agree that the implications of the Personalisation and Social Care Transformation agendas should be considered and addressed by all the Directorates of the Cheshire East Unitary Council.
- 2.4 Require the manager leading the People Directorate, in collaboration with appropriate Members and Officers to work up recommendations for the use of the Social Care Reform Grant in 2009/10 and 2010/11, in the context of the Revenue Budget setting process.

3.0 Implications for Transitional Costs

- 3.1 This report is about the development and delivery of mainstream services, as required by central Government policy.
- 3.2 In support of the implementation of that policy the Government, through the Department of Health, is making available to Councils a new Social Care Reform Grant for three years beginning in 2008/09. The allocation for Cheshire in 2008/09 is £0.961m
- 3.3 There are not likely to be specific Transitional Costs arising from this work.

4.0 Background

- 4.1 On 17th January, 2008 the Department of Health issued Local Authority Circular LAC(DH)(2008) 1. That circular can be found electronically at: http://www.dh.gov.uk/en/Publicationsandstatistics/Lettersandcirculars/LocalAuthorityCirculars/DH_081934. It is attached as an **Appendix** to this paper.
- 4.2 The circular addressed the Transformation of Social Care, within the context of the Personalisation agenda.
- 4.3 Personalisation is not a new idea, either in Social Care or in public sector services more generally.
- 4.4 For example, Direct Payments, the practice of giving service users cash in hand to personalize their own services instead of the set menu of direct provision, were formally introduced by the Community Care (Direct Payments) Act of 1996, and many Local Authorities had been offering them informally before that.
- 4.5 Early in 2004 a paper by Charles Leadbeater, "Personalisation through Participation: A New Script for Public Services" was published by Demos, an independent think-tank, and that seems to have been influential in shaping Government policy. Stephen Ladyman, a previous Minister for Community Care, quoted Leadbeater with approval in his paper calling for "A New Vision for Adult Social Care in England".

5.0 Definition

- 5.1 Personalisation is not a user friendly word but its essence is expressed in one of the seven outcomes laid down for Social Care Services – Increased Choice and Control.
- 5.2 The Personalisation agenda is about developing ways of working which:-
 - **Increase the Choices** made available to people so that they have a much fuller understanding of the options available to them and far better information to enable them to make soundly based decisions.
 - **Increase the Control** which people exercise over the resources which can be made available to them, so that they are able to design for themselves solutions which will address their needs.

6.0 The Circular

- 6.1 The Circular is about the Transformation of Social Care, and it sets that transformation squarely within the bigger context of the personalization agenda.
- 6.2 That bigger context is made plain at the beginning. The Circular states:-

"The direction is clear: to make personalisation, including a strategic shift towards early intervention and prevention, the cornerstone of public services." (§ 3)
- 6.3 In fact, the Circular contains three main messages:-
 - 6.3.1 Social Care must transform itself to ensure that every person across the spectrum of need is helped to have greater choice and control

over the shape of his or her support, in the most appropriate setting. (The Social Care message).

- 6.3.2 This agenda is not just for Social Care. Given that it is seen by Government as **“a cornerstone of the modernisation of public services”** (§ 16), all the services in a Local Authority will be required to plan how they are going to progress the personalisation agenda. (The Local Authority message).
- 6.3.3 The whole system must examine how it should change in order to support and facilitate the transformation of Social Care (The System message).

7.0 The Social Care Message

- 7.1 The Circular touches upon most of the things which Local Authorities with Social Care responsibilities will be required to do by way of transforming their offer to the public:-

7.1.1 Early Intervention and Prevention

For some time Local Authorities have rationed services and facilities by using tight Eligibility Criteria. Social Care services have been structurally underfunded for many years, as the Wanless Report highlighted. Successive rounds of cuts have, in many places, caused the tightening of those Eligibility Criteria and the reduction, and even elimination, of preventive work. Some of the measures which form part of the Transforming Social Care project are designed to deliver efficiency gains which, it is expected, will be recommissioning into earlier intervention and prevention.

7.1.2 Reablement Services

Reablement is usually delivered by Home Care-type services and it is about making carefully targeted and intensive interventions over a short, concentrated period to get a service user metaphorically, and often literally, back on their feet again after a crisis of some kind. Its aim is to restore functioning quickly and reduce the risk of decline.

7.1.3 Assistive Technology

There is an increasing range of electronic technology which carers and their families can purchase to improve the monitoring of vulnerable family members and to increase their own peace of mind. For example, there are devices which will prompt people to take their medication, or alert a control centre if they get up in the night and do not return to their beds after a set interval.

7.1.4 Self-Assessment

We can save time and improve their experience if more people undertake a self-assessment of their situation and their needs. All the evidence suggests that most people can safely be trusted to do that in a responsible way. This requirement is one of the reasons why it will be extremely important that the web-sites of the new Unitary Councils are not just information notice-boards, but that they have sufficient interactive functionality.

7.1.5 Advocacy

A proportion of service users will be very vulnerable individuals. Advocacy services will need to be in place to ensure that their interests are effectively protected and championed.

7.1.6 Brokerage

As a greater number of individuals find their own way around the system, using resources placed in their hands to put together combinations of services which address their needs and interests,

they will have dealings with a variety of agencies and organisations. Many will want to draw upon the services of brokers to help them to negotiate and to get the best deals for them.

7.1.7 Conventional Support

Not every service user, carer or family will want, or will be able, to go down the road of Self Directed Support. It will therefore be necessary to maintain some more conventional support of high quality.

7.1.8 Person Centred Planning

A cultural shift is required. Plans for people should be put together with them and for them. A slogan from the Disability Movement is relevant here – “Nothing about me, without me.” It will not be acceptable to construct plans just around the conventional services which are already provided.

7.1.9 Direct Payments

This is all about giving people real cash in their hands to enable them to design and put together services around their own needs.

7.1.10 Individual Budgets

Some will find it irksome and burdensome to handle real money and to engage the services of their own Personal Assistants. However, they will still want to know exactly how much money has been set aside for addressing their needs and they may well want to keep a close eye upon how that money is being spent. That is where Individual Budgets come in. People will be made aware of the allocation to them, and there will be a process of dialogue and negotiation with staff about how that allocation is to be utilized.

7.1.11 Resource Allocation Systems

If clear, upfront allocations of funding are to be made to enable people to make informed choices about how best to meet their needs, systems will need to be put in place to determine funding in relation to need, and those systems will have to be transparent. Work will be required to develop a Resource Allocation System (RAS).

7.1.12 Community Equipment

For many years Social Care organisations and their partners have run or purchased Loan Stores, warehouses from which equipment for disabled adults is sent out on loan to them, and in which it is cleaned and stored if, and when, it is returned. A personalised approach to securing equipment for disabled people would come much closer to the sort of interaction experienced by ordinary citizens when they purchase from a retailer the type of equipment which they need and choose.

7.1.13 Information and Advice Services

The operation of personalized systems and processes will depend upon the availability of excellent Information and Advice Services, to ensure that choices made are informed choices and that all citizens are given help, not just those who seem to be eligible for publicly funded services.

7.1.14 A Common Assessment Framework

Work will be needed to develop and implement a Common Assessment Framework. The ambition is to reduce the extent to which people have to be asked the same questions by different agencies attempting to respond to their needs.

- 7.2** As usual, it will be expected by Government that local partners, through their commissioning activity, will redirect a certain amount of existing resource towards the development of the various initiatives and measures listed

above. However, to fund some of the change process the Department of Health will make available to Local Authorities a ring-fenced grant, the Social Care Reform Grant. The Grant allocated to Cheshire West and Chester and to Cheshire East in 2009/10 will be in total £2.317m.

- 7.3 Obviously, officers from Government Office North West will be working with the two new Councils to track their progress on using the new Grant to advance this agenda. More specifically, the Councils' Social Care operations will be inspected against those expectations by the newly established Care Quality Commission.

8.0 The Local Authority Message

- 8.1 The Circular makes it plain that it contains clear messages for Local Authorities, not just for their Social Care Services. It states, for instance, that:

“Personalisation and early intervention are issues for the whole of Local Government, not just for Directors of Social Services.” (§ 43)

- 8.2 Appendix B of the Circular sets out the challenge to Local Authorities:-

“By 2011 all 150 Councils will be expected to have made significant steps towards redesign and reshaping their adult Social Care services, having most of the core components .. in place.” (Appendix B, §10)

- 8.3 It is indicated (§ 47) that scrutiny of this will be part of the Comprehensive Area Assessment (CAA). The recent letter from the Minister, John Healey, outlines his expectation that the two new Unitary Councils will become flagship Authorities within two years from vesting day. To have any chance of achieving that, their performance on this agenda, measured in their first CAA, will need to be good.

- 8.4 That performance will be looked at on two dimensions:-

8.4.1 How well is each Directorate of the Local Authority progressing in its own implementation of the personalisation agenda?

8.4.2 How well are the other Directorates and services supporting Adult Social Care with its Transformations?

- 8.5 Some help is going to be made available for the Council wide personalisation work. The Circular states:

“Some tools are already available: others will need to be developed. In particular, a means to capture how the wider contribution of Local Government services, such as housing, leisure, adult education, transport and environmental services, can support personalisation.”
(§ 56)

- 8.6 But Councils will also have to develop their own tools:

“Councils will need to develop their own monitoring systems to understand how the change is experienced by the population. This diagnostic data will need to look at not only efficiency, but also take into account quality assurance and customer satisfaction. Councils will be able to use this information to develop coherent support plans for delivery of personalisation.” (§ 69)

8.7 At the same time, Directorates will be expected to change their services, processes and systems in order more fully to support the Adult Social Care transformation project. A few examples will suffice. If Adult Social Care is to move its customers away from the old set menus of traditional, congregated services (for example, Day Centres for disabled people) and towards individually designed packages of support it is likely to need:

- Leisure services providers to make it easier for Adult Social Care customers to be helped, with support, to undertake programmes of activity within Leisure facilities.
- Library services to make space and resources available for small groups of users and carers to access information and entertainment.
- Adult education to consider how it can focus effort upon enhancing the employability of disabled people.
- Business Support services to reflect upon their services and particularly upon how they can sometimes be experienced by customers with challenges in their lives.

9.0 The System Message

9.1 The Circular also sends a clear message to the whole system:

“Personalisation is about whole system change, not about change at the margins. It will require strong local leadership to convey the vision and values which underpin it and to reach beyond the confines of Social Care.” (§ 22)

9.2 In particular, that is a message about the sort of whole system commissioning which will increasingly be done through the mechanisms put together to deliver Local Area Agreements. It is expected that through that whole system commissioning resources which are dispersed around agencies will, in line with a clear and coherent strategy, be bent more in the direction of early intervention and prevention and be bent more towards supporting the transformation of Adult Social Care.

9.3 Thus the Circular declares:

“When considering transformation partners should look at resources spent through mainstream services, the NHS, housing and other relevant statutory agencies, the voluntary and private sectors, and not just those resources spent via the Adult Social Services Department.” (§ 4)

9.4 That point is reemphasised in paragraph 24 of the Circular:

“Local commissioners working with local partners, in particular the NHS, should consider how resources may be released across the whole system and redirected to enable investment in early intervention and prevention for all levels of need.”

10.0 Progress So Far

10.1 The two new Unitary Authorities will be relatively well placed to take up this agenda because of what has already been done by the Community Services Department of the County Council.

- 10.2 During late 2006 and early 2007 work was done in collaboration with three other Authorities in the North-West, to develop new models of Assessment and Care Management. That was part of a national programme being taken forward by the Care Services Efficiency Development (CSED) initiative of the Department of Health. It included work to develop Self-Assessment. It concluded that the organisation should commit itself to progressing Self-Directed Support as its basic operating model.
- 10.3 During 2007 Vanguard Consulting was engaged to assist with the application of Lean Systems to the ways in which the front-end of Social Care services are organised and managed. That work sharpened the focus upon waste in the system. It helped the organisation to be much clearer about its basic purpose and to articulate its design principles for a programme of Social Care Redesign. That programme has been fully under way since January 2008, supported by a small, dedicated team.
- 10.4 In January 2008 the Executive of the County Council approved work on an Experiment to be conducted in Chester, which will test the new processes to determine whether they are appropriate and safe for eventual application across the piece. A fundamental decision was taken that, far from Local Government Reorganisation requiring these developments to be de-prioritised, it actually required them to advanced determinedly, in the cause of ensuring that the new Councils will be effectively equipped to achieve flagship Authority status.
- 10.5 That Experiment “went live” in April, 2008. Amongst other things it will test the implementation of a local version of a Resource Allocation System. That phase of development will be completed in early Autumn 2008, and the findings will be used to design new Social Care structures, systems and processes which will be part of the costed operating model to be transferred into the new People Directorates.
- 10.6 The County Council is one of the national pilot sites for the development of the “Retail Model” of delivering community equipment to disabled adults. That is being progressed in collaboration with the two Primary Care Trusts. Under the Retail Model disabled people will be given a “prescription”, which they can then exchange for equipment through an approved retailer, topping it up with their own resources if they wish. A number of Independent Living Centres are being set up at which disabled people will be able to get advice and help.
- 10.7 On 4th April, 2008 the North-West Branch of the Association of Directors of Adult Social Services held a Regional Workshop on Personalisation. Cheshire was one of the three Local Authorities chosen to present their leading edge implementation work.
- 10.8 Impressive performance is already being demonstrated in the areas of Direct Payments. There are now almost 1,000 adults receiving Direct Payments, and the full year effect amounts to expenditure of around £7m.

11.0 Conclusions

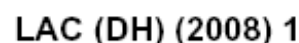
- 11.1 The Personalisation agenda is of great importance for the whole public sector system, for Local Authorities and for Social Care.

- 11.2 If the two new Unitary Councils are to do well in their first Comprehensive Area Assessment and to meet the implementation targets for 2011, they will need to pick up this agenda energetically from the outgoing County Council.
- 11.3 In particular, the agenda will require the two Unitary Councils to ensure that:-
- 11.3.1 They contribute effectively to the implementation of personalisation across the whole Public Sector system.
 - 11.3.2 Each Directorate has, and implements, its own personalisation plan.
 - 11.3.3 The other Directorates contribute positively in support of the Social Care Transformation programme, which will be the responsibility of the People Directorate.
 - 11.3.4 The People Directorate effectively Transforms Social Care.

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LAC (DH) (2008) 1

PART 1: A PERSONALISED APPROACH

Introduction

2. Consultation responses to the White Paper² confirmed that people want access to support when they need it and they expect it to be available to them quickly, easily and fit into their lives. They also want adult social care services to make provision for a range of needs with a greater focus on using preventative approaches to promote people's independence and wellbeing. The emphasis should be on enablement and early intervention to promote independence rather than involvement at the point of crisis, within the framework of Fair Access to Care Services.
3. To make this happen the sector needs a shared vision. The direction is clear: to make personalisation, including a strategic shift towards early intervention and prevention, the cornerstone of public services. In social care, this means every person across the spectrum of need, having choice and control over the shape of his or her support, in the most appropriate setting. For some, exercising choice and control will require a significant level of assistance either through professionals or through independent advocates.
4. This is a challenging agenda, which cannot be delivered by social care alone. To achieve this sort of transformation will mean working across the boundaries of social care such as housing, benefits, leisure and transport and health. It will mean working across the sector with partners from independent, voluntary and community organisations to ensure a strategic balance of investment in local services. This will range from support for those with emerging needs, to enabling people to maintain their independence and to supporting those with high-level complex needs. When considering transformation partners should look at resources spent through mainstream services, the NHS, housing and other relevant statutory agencies, the voluntary and private sectors, and not just those resources spent via the adult social services department.
5. The new Local Performance Framework will be of fundamental importance in supporting this to happen. Primary Care Trusts and Local Authorities are working in the Local Strategic Partnerships (LSPs) to agree new Joint Strategic Needs Assessments. Joint Strategic Needs Assessments (JSNAs) will provide the foundation for health and wellbeing outcomes within each new Local Area Agreement (LAA). Our ambitions for modernising social care sit entirely within this Framework.
6. The importance of this holistic approach is recognised and underpinned by '*Putting People First: A shared vision and commitment to the transformation of Adult Social Care*', a concordat that establishes a collaborative approach between central and local Government, the sector's professional leadership, providers and the regulator. It sets out the shared aims and values, which will guide the transformation of adult social care.
7. Across Government, the shared ambition is to meet the aspiration to put people first through a radical reform of public services. It will mean that people are able to live their own lives as they wish, confident that services are of high quality, are safe and promote their own individual requirements for independence, well-being and dignity. Local priority setting will be focused on meeting local needs and playing a leading role in

² *Our health, our care, our say: a new direction for community services*, Department of Health (2006)

shaping strong and cohesive local communities³. This document sets out the contribution of social services, working in partnership across Local Strategic Partnerships, to support local leaders and their partners to make this happen.

Context: Why change is needed

8. Advances in public health, healthcare and changes in society mean that we are living longer, and as communities become more diverse, the challenges of supporting that diversity becomes more apparent. People have higher expectations of what they need to meet their own particular circumstances, wanting greater control over their lives and the risks they take. They want dignity and respect to be at the heart of any interaction, so that they can access high-quality services and support closer to home at the right time, enabling them and their supporters to maintain or improve their wellbeing and independence rather than relying on intervention at the point of crisis. Social care cannot meet these challenges without radical change in how services are delivered.
9. The change in the structure of our population is one of the most significant challenges we face in the 21st century. Life expectancy has increased considerably with a doubling of the number of older people since 1931⁴. Between 2006 and 2036, the number of people over 85 in England will rise from 1.055 to 2.959 million⁵, an increase of approximately 180%. This trend will continue (eg the numbers of people with dementia in England, around 560,000⁶ in 2007, is expected to double in the next 30 years) and with it, demand for support across the continuum of need will increase. In addition, the numbers of people aged 50 and over with learning disabilities are projected to rise by 53% between 2001 and 2021⁷. And, thanks to advances in medicine, more children with complex needs are surviving into adulthood. We need to recognise their aspirations and their desire to live life as fully as possible.
10. More people are being supported to live independently at home, but at the same time resources are increasingly targeted at those with the greatest need^{8,9,10}. This is despite emerging evidence from the Partnership for Older People Projects (POPPs) which indicates that earlier interventions before people reach high levels of need may be more cost-effective for the health and social care system and provide better outcomes for individuals. This is also reflected in the Office for Disability Issues report '*Better outcomes, lower costs*' into housing adaptations¹¹.
11. Supported by the DH's efficiency programme, councils have increasingly shown how developing homecare re-ablement services can support independent living and deliver value for money. Assistive technology such as telecare and minor adaptations, like fitting a handrail, can also enable people with support needs to continue to live in their own homes. The commitment to develop a National Dementia Strategy recognises the importance of people receiving an early diagnosis and being offered appropriate choices, rather than at a time of crisis.

³ *Strong and Prosperous Communities: The Local Government White Paper*, Department for Communities and Local Government (2006)

⁴ Royal Commission on Long-term Care for the Elderly (1999)

⁵ 2006-based principal population projections, Office for National Statistics (October 2007)

⁶ *Dementia UK: Report to the Alzheimer's Society*, Knapp et al, Kings College & London School of Economics & Political Science (2007)

⁷ *Estimating future need/demand for support for adults with learning disabilities in England*, Emerson & Hatton (2004)

⁸ *State of Social Care in England 2005-06*, Commission for Social Care Inspection (2006)

⁹ *Time to care? An overview of home care services for older people in England*, Commission for Social Care Inspection (2006)

¹⁰ *Council Self Assessment Surveys*, Commission for Social Care Inspection (July 2007)

¹¹ *Better outcomes, lower costs: implications for health and social care budgets of investment in housing adaptations, improvements and equipment: a review of the evidence*, Haywood and Turner, Office for Disability Issues (2007)

12. Demographic changes will also have an impact on the number of people able to care and support family members, which will in turn influence the wider provision of care. The role of carers was highlighted in *Our health, our care, our say*¹², and the issues it raised are now subject to a wide-ranging consultation with the Government committed to publish a new Prime Ministers Strategy for Carers in spring 2008.
13. All this indicates that, faced with long-term demographic change, the current system of social care delivery will need to fundamentally re-engineer and modernise to respond to the pressures on the system, the increased expectations placed upon it and tackle substantial culture change. It will also need to be set in the context of the recognition of the need to explore options for the long term funding of the care and support system. The Government has announced its intention to produce a Green Paper in 2008, to identify the major challenges, the key issues and setting out options for reform, to ensure any new system is fair, sustainable and unambiguous about the respective responsibilities of the state, family and individual.
14. However, many councils find it difficult to invest in approaches aimed at promoting independence such as prevention, early intervention or re-ablement programmes, which are necessary to promote well-being and meet the population challenges. Social care and wider local government services need to work with the NHS, the voluntary, community and independent sector to harness the capacity of the whole system. It needs to shift the focus of care and support, across the spectrum of need, away from intervention at the point of crisis to a more pro-active and preventative model centred on improved wellbeing, with greater choice and control for individuals.

The Vision – what reforming social care means

15. The wider government approach to personalisation can be summarised as *“the way in which services are tailored to the needs and preferences of citizens. The overall vision is that the state should empower citizens to shape their own lives and the services they receive”*¹³. It forms one element of wider cross-government strategy on independent living, to be published early next year.
16. If personalisation is a cornerstone of the modernisation of public services, what does it mean for social care? What it means is that everyone who receives social care support, regardless of their level of need, in any setting, whether from statutory services, the third and community or private sector or by funding it themselves, will have choice and control over how that support is delivered. It will mean that people are able to live their own lives as they wish, confident that services are of high quality, are safe and promote their own individual requirements for independence, well-being and dignity.
17. To do this will require a common assessment of individual social care needs, emphasising the importance of self-assessment. The role of social workers will be focused on advocacy and brokerage, rather than assessment and gate keeping. This move is from the model of care, where an individual receives the care determined by a professional, to one that has person centred planning at its heart, with the individual firmly at the centre in identifying what is personally important to deliver his or her outcomes. With self-directed support, people are able to design the support or care arrangements that best suit their specific needs. It puts people in the centre of the planning process, and recognises that they are best placed to understand their own

¹² *Our health, our care, our say: a new direction for community services*, Department of Health, 2006

¹³ *Building on Progress: Public Services*, HM government Policy Review, Prime Minister's Strategy Unit, London (2007)

needs and how to meet them. They will be able to control or direct the flexible use of resources (where they wish to), building on the support of technology (eg telecare), family, friends and the wider community to enable them to enjoy their position as citizens within their communities.

18. Direct payments and individual budgets (currently being evaluated) are an existing way to foster this transformation in the community. Individual budgets (IBs) build on what works with direct payments and, like direct payments, they give people more choice and control. IBs can bring a number of income streams together to give the individual a more joined-up package of support. Critically they allow the person to plan how to achieve outcomes, which meet their needs within a clear allocation of resources.
19. In the future, all individuals eligible for publicly-funded adult social care will have a personal budget (other than in circumstances where people require emergency access to provision); a clear, upfront allocation of funding to enable them to make informed choices about how best to meet their needs, including their broader health and well-being. Having an understanding of what is available will enable people to use resources flexibly and innovatively, no longer simply choosing from an existing menu, but shaping their own menu of support. A person will be able to take all or part of their personal budget as a direct payment, to pay for their own support either by employing individuals themselves or for purchasing support through an agency. Others may wish, once they have decided on their preferred care package, to have the council continue to pay for this directly. The approach, which may be a combination of both, will depend on what works best for them. The term personal budget will describe this transparent allocation of resources.
20. Importantly, the ability to make choices about how people live their lives should not be restricted to those who live in their own homes. It is about better support, more tailored to individual choices and preferences in all care settings.

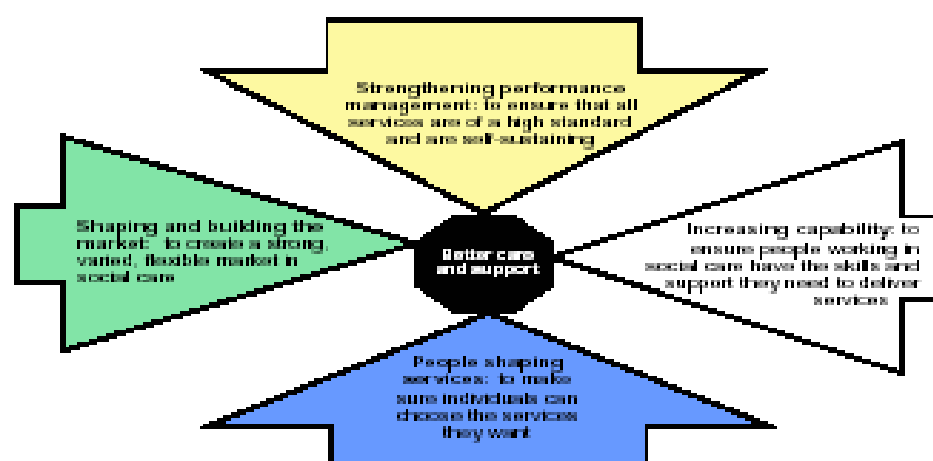
Making personalisation a reality for the 21st century

21. Reforming social care to achieve personalisation for all will require a huge cultural, transformational and transactional change in all parts of the system, not just in social care, but also for services across the whole of local government and the wider public sector. The scale and purpose of this ambition should not be underestimated. The experience with direct payments makes this clear. For the past ten years, direct payments have successfully given some people the ability to design the services they want but their impact has been very limited. The latest figures show that about 54,000 people out of a potential million recipients receive support through a direct payment¹⁴. Evidence shows major variations in take up across the country, with success determined less by the characteristics of people who use services or the features of direct payments themselves, than by local leadership, professional culture and the availability of support.
22. The challenge will be to translate the vision into practical change on the ground to make a real difference to the way individuals engage with services and support and, in so doing, make a real difference to their lives. It will also mean changes in how professionals engage and work to support people's needs. Personalisation is about whole system change, not about change at the margins. It will require strong local leadership to convey the vision and the values, which underpin it and to reach beyond

¹⁴ Council Self Assessment Surveys, Commission for Social Care Inspection (July 2007)

the confines of social care. It is essentially about a significant cultural shift and management of change for the wider social care and local government sectors. To achieve this, all stakeholders will need to work in partnership to construct a comprehensive delivery model, which works across social care and touches on the wider reforms within the NHS and in local government.

23. It will take time. There are significant cultural and organisational barriers to overcome and it cannot be driven from the top down. Ultimately, it will be for those at local level to deliver the change and the Government will need to work with its partners in the wider social care and local government world to support the right environment for this to happen.
24. With the increasing demand on resources, it is essential that councils work with the NHS, other statutory agencies, the third and private sectors and their local communities to ensure a strategic balance of investment in prevention and approaches to promote independence and providing intensive care and support for those with high-level complex needs. Pooled budgets and integrated funding between health and social care can provide the flexibility for funds to be invested in early intervention and preventative approaches. Local commissioners working with local partners, in particular the NHS, should consider how resources may be released from across the whole system and redirected to enable investment in early intervention and prevention for all levels of need.
25. All participants across the sector will need to engage to bring about both the transformational culture change and the systems change needed to deliver personalisation. The reform model (below) identifies the four domains the Government and its partners must address in order to reform social care, not just in a sustainable manner, but also in a way that improves the quality of people's experience.
26. The purpose of this reform is to ensure people have choice and control over the support they need to live the lives they want. It is necessary to tackle all four together to deliver the Government's aims of better health and better care for people who need treatment and support, as well as better value for taxpayers.



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¹⁰ 'Better care and support' at the centre of the diagram is a proxy for the seven outcomes for social care as set out in *Our health, our care, our say* (2008): Improved health and emotional wellbeing; Improved quality of life, making a positive contribution, choice and control, freedom from discrimination, economic wellbeing and personal dignity.

Achieving Personalisation: where are we now, and what will the new system look like?

27. In the future, the social care system will allow individuals to make real choices, and take control, with appropriate support whatever their level of need. Everyone, with support if necessary, will be able to design services around their own needs, within a clear personal financial allocation. For those funding their own support and care it will mean that there are clear information points, and support and brokerage services that enable them or their supporters to navigate the system, access qualified and appropriate advice and purchase quality services or support which meets their needs.
28. It will also mean a very different relationship between national and local government, one that follows a participative model of service transformation. DH will work with partners, including users and carers, local government, the NHS, and local third and independent sector organisations to develop the mechanisms and strategies to achieve personalisation at a local level.
29. Different councils are at different points in this process; transition cannot and will not happen overnight. Councils should consider setting clear benchmarks, timescales and designated delivery responsibilities to ensure tangible short-term progress, and by March 2011, significant moves towards fundamental system-wide change. Councils will also need to talk directly to disabled people and their organisations. What is clear is that doing nothing is not an option.
30. However, this transformation is not starting from zero; a number of building blocks are already in place. There has been significant investment in tools and technologies to support change and this will continue over the next three years with further dissemination of the learning and experience from the DH efficiency and personalisation programmes, the POPPs pilots, the Department for Work and Pensions LinkAge Plus pilots, Individual Budget pilots and the work of In Control. Councils should be working to develop and embed these into their systems and cultures over the next spending period in order to deliver the ambitions of personalisation.

Challenges

Resources

31. The aspirations for the modernisation of social care through personalisation, choice and control must be set in the context of the existing resources and be sustainable in the longer term. However, transformation is about looking at the full range of services commissioned and provided to ensure that they all pull together towards the same objective of improved outcomes for individuals.
32. Personalisation must be delivered in a cost effective way. It is important to recognise that personalisation, early intervention and efficiency are not contradictory but will need to be more strongly aligned in the future. If delivered effectively personalised support can be a route to efficient use of resources, offering people a way to identify their own priorities, and co-design and focus the support they need. There is already some evidence that this can be made a reality. Emerson et al¹⁶ undertook a longitudinal evaluation of the impact and cost of person centred planning and concluded that the

¹⁶ *The impact of person centred planning*, Emerson et al, Institute for Health Research, Lancaster University, 2006

introduction of more personalised support had a positive benefit on the life experiences of people with learning disabilities. Importantly this benefit had been achieved without additional service costs once initial training costs were taken into account.

33. In Control¹⁷ work has begun to show that self-directed support does not have to cost more than traditional services when based on an effective resource allocation system. In the pilots, individual satisfaction levels increased very significantly. In addition, evidence emerging from the POPPs pilots indicates that a shift to early intervention and re-ablement allows money to be spent in a more cost effective way.
34. In the wider context, the Government will be developing a reform strategy for the long-term funding for people in need of care and support. The plan is to spend the next period in conversation with the public, private and third sectors. Early in 2008, DH will set out a process, which will involve extensive public engagement and will lead to a Green Paper, which will identify the scale of the challenge, key issues, and give options for reform.

Workforce

35. The vision for a personalised approach to adult social care has huge implications for the workforce of the future¹⁸. It is clear that, given population and workforce demographics as well as rising expectations of people who use services, the current and future workforce need to change radically to meet the challenges it will face.
36. Sustainable and meaningful change depends on the capacity to empower people who use services and to do this we need to win the hearts and minds of frontline staff, from all sectors. It is vital that local workforce development strategies are co-produced, co-developed, co-provided and co-evaluated with private and voluntary sector partners, as well as users and carers, with a focus on raising skill levels and providing career development opportunities.
37. In response to this, DH is working with its key delivery partners to develop an Adult Workforce Strategy. This will address and plan for the key workforce priorities in the short and longer term to underpin and enable delivery of the personalisation agenda. In particular, it will recognise that in developing a personalised approach, it is essential that frontline staff, managers and other members of the workforce recognise the value of these changes, are actively engaged in designing and developing how it happens, and have the skills to deliver it.
38. It is recognised that a key component of the reform of social care will be effective leadership, management and commissioning skills. Work is underway to develop a Social Care Skills Academy to develop these skills.
39. In addition, to help meet the costs of training staff in social care, DH has issued a number of grants in 2007/08. The majority of the funding is to develop National Vocational Qualifications to ensure a better-trained and qualified workforce to raise the quality of social care services in both the statutory and independent sectors. Money has also been provided to support councils in developing their human resource capacity and capabilities, which will begin to equip the workforce for the opportunities of personalisation.

¹⁷ *A report on In Control's first phase 2003-2005*, Carl Poll et al, In Control, 2006

¹⁸ *Independence, wellbeing and choice: Our vision for the future of social care for adults in England*, Department of Health, 2005

Part 2: Developing a Sector Support Programme for the Transformation of Adult Social Care

Overall aim of the Programme

40. The Department of Health (DH) and its partners want to achieve the transformation of social care to deliver support tailored to individuals and local populations irrespective of their circumstances or level of need. The Department will work collaboratively, with partners, including disabled people and their organisations, to develop, produce and evaluate the programme of implementation work ahead and support capacity building at a local level. This is a major programme of change to achieve and one which will require different approaches and ways of working from all those involved with social care.
41. Driving change on the ground in a top-down Whitehall-led model is not the answer. Therefore, the approach deliberately focuses on building the strengths and capacity of individual councils to make local decisions on priorities reflected through improvement targets in LAAs. The success of this whole-system change is predicated on engagement with communities and their ownership of the agenda at a local level. The new Public Service Agreements (PSAs), the Local Government National Indicator Set (NIS) and LAAs provide the incentives and framework to make local delivery a reality¹⁹.
42. The Local Government Association (LGA), the Association of Directors of Adult Social Services (ADASS) and the Improvement and Development Agency (IDeA) are in a unique position in terms of raising awareness and engaging with local government leaders at all levels. The skills, knowledge and attitude of the leaders will be critical to delivery of the programme.
43. There is a clear role to provide both strategic leadership and also to develop and increase leadership capacity and capability across councils. Personalisation and early intervention are issues for the whole of local government, not just for directors of social services. The links to delivery of the corporate agenda must be explicit to gain local buy-in. Shared purpose is required if the political and managerial leaders in councils are to promote the investment in preventative services and the devolution of control and the integration of wider objectives are needed to make personalisation a reality.
44. The establishment over the past year of Joint Improvement Partnerships (JIPs) in each region provides a strong foundation to build on. The national programme will work to integrate the JIPs in each region into the work and governance structures of the Regional Improvement and Efficiency Partnerships (RIEPs). This will ensure a more coherent, joined-up approach, and will emphasise that system reform on this scale cannot be achieved by focusing solely on adult social care.
45. ADASS, LGA and IDeA will work together as a sector-led 'consortium' at national level to support the change agenda. At a regional level, the RIEPs will work with the JIPs, to facilitate regional implementation and local activity, and provide local leadership.

¹⁹ *The New Performance Framework for Local Authorities & Local Authority Partnerships: Single Set of National Indicators*, Department for Communities and Local Government, 2007

46. This will support the goals of our framework for the *National Improvement and Efficiency Strategy*²⁰ (NIES).
47. Councils will be supported to make substantial progress on transforming their services over the next three years, with performance across health and social care measured against relevant indicators in the National Indicator Set (and any relevant LAA improvement targets). This information will inform the joint performance assessment across health and social care undertaken by the new joint inspectorate, the Care Quality Commission, and the Comprehensive Area Assessment (CAA). The prize is huge, transforming the areas in which we live, the lives of our citizens and creating self-improving public services, which can provide personalised support to all.
48. For its part, DH, jointly with the national consortium, will work on facilitating a range of national tools to assist reform at a local level and on policy and statutory issues that require a cross-government approach. This will include, for example, the development of tools and technologies, guidance for professionals and leadership development.

What are we doing to help?

Core funding

49. Over the Comprehensive Spending Review 2007 (CSR07) period, provision for social care will benefit from the real terms increase in Revenue Support Grant (RSG) to local government. This includes support for PFI projects and represents an increase by an average of 1% a year in real terms over the next three years. This is worth £2.6 billion more by 2010/11. Direct DH funding for grants, including those for carers, mental health and the social care workforce, will also increase by an average 2.3% real per year, worth £190 million by 2010/11. In addition, resources spent by PCTs on social care for Adults with learning disabilities will be transferred to local authorities from 2009/10.
50. Alongside this additional investment, councils will be expected to spend some of their existing resources differently, utilising mainstream services to ensure the health and wellbeing of their communities and working in a genuinely collaborative way with third and private sector agencies.

Social Care Reform Grant

51. In addition to local partners using some existing resources across the health and well-being system differently, DH will be making over half a billion pounds available as a ring-fenced grant to local councils over the next 3 years. The new Social Care Reform Grant is worth £85 million in 2008/09, £195 million in 2009/10 and £240 million in 2010/11. This includes money from resources secured in CSR07 for the NHS and recognises the positive impact investing in social care can have on people's health and the demand for healthcare. The grant determination for 2008/09 is attached as an Annex A to this Circular (pages 17-27), in addition to details of allocations and conditions.
52. The objectives of the Social Care Reform Grant will directly inform each DH regional business plan to ensure our priorities are informed by local strategies. Each of DH's new Regional Deputy Directors for Social Care and Local Partnerships will be a key

²⁰<http://www.communities.gov.uk/localgovernment/performanceframeworkpartnerships/lpfaqs/efficiencystrategy/efficiencystrategy/>

member of the regions JIPs. The RIEP and the JIP will need to work together to agree the priorities for regional facilitation. Every local transformation process will need to include clear benchmarks, timescales and designated delivery responsibilities.

53. To support this, the Department will provide some additional funding to support and facilitate local activity. This will ensure the best value for money through local collaboration to deliver the aims of the transformation programme in partnership with the RIEPs. This is described in more detail in paragraphs 58-60. DH's Efficiency Programme will also be working to align its support with the RIEPs to ensure an effective and joined-up approach to support transformational change.

Implementing change at a Local Level

54. Using the total resources provided through CSR07 (including the Social Care Reform Grant) and through ensuring improved value for money, we are confident that each council is in a position to make real and measurable progress to achieve the systems changes that will deliver the transformation of social care for their local populations over the next three years. For most councils, this will require investment in system change tailored to their needs and they will need to work either individually or collaboratively as part of a wider group with common areas for development.
55. Councils are in different places on this journey. There will be differences in terms of local priorities but the overall direction and strategic goals are clear. In order to do this effectively, councils will need to develop their own transition strategies. They will need to assess where they are, using a range of diagnostic tools to ensure that their plans are feasible and sustainable and that they focus resources on their own core priorities.
56. Some tools are already available (see Annex B for links); others will need to be developed. In particular, a means to capture how the wider contribution of local government services, such as housing, leisure, adult education, transport, and environmental services, can support personalisation. DH and the consortium will work together to commission and develop these tools to assist councils and their partners in identifying local priorities for improvement, drawing on information gathered through Joint Strategic Needs Assessments, and making decisions to feed into LAAs. This will also help ensure support and available resources, at both regional and national levels, are focused on the identified priorities.
57. Whilst there will be some local variation in the process of reform, there are core elements which councils will need to develop to ensure they have the capability and capacity to respond flexibly and responsively to the demands placed on them. These are listed in more detail in Annex A of this document (Appendix B).

At a Regional Level – Sector-led Support

58. Though the national consortium will not provide 'hands-on' change management support, it will develop a mechanism to facilitate the sharing of information across the regions, to maximise the learning from any local and regional investment.
59. To support this regional facilitation role, DH will expect its Regional Deputy Directors for Social Care and Local Partnerships to agree priorities for a £2million top-slice of the Social Care Reform Grant to be spent on regional improvement initiatives in

consultation with the RIEP and JIP. DH will look at how, from 2009/10 this resource might be transferred to the RIEPs, in line with the principles of the NIES.

60. This £2million top-sliced money will be in addition to existing resources in the system for implementation and improvement activity, to support a coherent regional strategy for transformation. It is anticipated that, taking account of local priorities, all councils in each region will be supported to ensure there is:

- Close working with DH's regional teams in each Government Office to align and join up policy delivery.
- Dissemination of tools and technologies to support excellence in delivery and transformational change, such as implementing the new operating system being developed by the IB pilot sites (learning from the evaluation), disseminating the early learning from the POPP pilots and the wider prevention agenda (including signposting of individuals who do not currently access statutory services) and DH efficiency and re-ablement work.
- Work to shape and develop local and regional markets with the capacity and the variety to offer the range of options the population demands. This will include a mixed economy of care providing a range of services delivered by organisations across all sectors and sustainable advocacy and brokerage organisations that are accessible to both those entitled to public support and self-funders.
- Support for local leadership, for example through IDeA programmes on peer review and mentoring, for both elected members and directors.
- Facilitation of information exchange and improvement work, bringing together "clusters" of councils and their partners where shared priorities have been identified.
- An agreed strategy for the commissioning of specific regional support and facilitation, such as building workforce capacity and capability to use the tools of personalisation (eg resource allocation systems) or managing change through project management, business case development and benefits realisation.
- A joined-up approach with the work of the DH efficiency programme which will also be working to align its support with the RIEPs.
- Support for councils in developing performance management systems to measure the outcome benefits for people and communities of personalisation and early intervention and collect other types of robust evidence, which can be used for performance assessment processes, to inform commissioning without requiring extra work.
- Proactive identification of under performers to engage them in developing strategies and key areas for investment (eg change management) either individually or at a regional level.

At a National Level

61. DH is committed to developing a real and meaningful partnership with the consortium and other key stakeholders to take the transformation agenda forward. This means the Department will work strategically with the consortium, In Control and other partners to jointly commission or undertake activities to facilitate reform where it is best placed to do so.

62. An additional £1m top-slice from the Social Care Reform Grant will be used to enable DH and the implementation board (paragraph 63) to:

- Commission and develop key tools and technologies, which will be required by all councils, although dissemination will be facilitated at the regional level. This will include the development of key components of the new social care system, eg a Common Assessment Framework, charging guidance and workforce development. Identifying the need for new universal tools will be done in partnership with the consortium and will reflect their regional intelligence.
- Facilitate a range of national mechanisms to support implementation, in particular the interface of policy and statutory issues and cross-government agenda. This will include working through the Innovation, Capacity, Efficiency Programme Board facilitated by the Department for Communities and Local Government.
- Provide strategic advice, in particular on the four key areas identified to deliver public sector reform, people shaping services, increasing capability, shaping and building the market and strengthening performance management.
- Establish jointly with the consortium, a national information network for facilitation at the regional level with an information loop back from all nine regions on good practice for national dissemination. This will include the learning coming out of key pilot programmes such as POPPs and IBs.
- Work with the Social Care Institute for Excellence to establish a good and emerging practice library to support the roll out of the transformation agenda
- Work with the consortium to develop the capacity to commission support services from a range of suppliers including accredited independent consultancy companies (eg with a framework agreement to ensure rapid call-off of support).
- Work with the regulators (the new Care Quality Commission and the General Social Care Council) to ensure their roles and functions support the transformation agenda.

63. Recognising that the principle of sector leadership of the programme applies equally at national as well as regional level, DH will work with the consortium to second a programme director from the sector to drive forward this challenging agenda. An implementation board will oversee the programme, which will include senior representatives of the consortium (ADASS, IDeA, and LGA) and DH, and representatives from the RIEPs and the Society of Local Authority Chief Executives.

Outcomes Expected

64. From April 2008, the new local performance framework for local government working alone or in partnership, will be introduced. The health and adult social care priorities for places will be drawn from the National Indicator Set²¹, which cover those aspects of DH's Public Service Agreements (PSAs) and Departmental Strategic Objectives (DSOs) that are delivered in partnership.

65. DH has three DSOs (*Better health and well-being for all; Better care for all and Better Value for all*) from which our two PSAs (*to promote better health & well-being for all and to ensure better care for all*) naturally fall. These cover a range of health and social care priorities, which specifically include:

Better health and well-being through:

- Improving people's health and emotional wellbeing by enabling them to live as independently as suits them.
- Designing systems that build on the capacity of individuals and their communities to manage their own lives, confident that they have access to the right information and interventions at the right time should they need more support.
- Focusing on prevention, early intervention and enablement, rather than crisis management, to bring long-term benefits to individuals' health and wellbeing.

Better care through:

- Strategic working with NHS partners to enable people with long-term conditions to manage their health and wellbeing more effectively.
- Ensuring information is available and accessible for all to support decision-making and access to care services, irrespective of people's social circumstances and eligibility for statutory services.
- Supporting people to maintain or improve their wellbeing and independence within their own homes and local communities and through avoiding unnecessary admission to hospital.
- Enabling people to make choices and be in control of their care to deliver successful outcomes first time. Promoting shared decision making to encourage ownership.
- Providing quality care that promotes dignity, and is safe, effective and available when and where people need it.

66. DH's third Strategic Objective – **Better Value for All** - is also key in delivering the best outcomes for communities in the most cost effective way. Councils, working with local partners, will have their own ideas of how to deliver better value at a local level. One example of a way for councils to deliver this locally might be by harnessing resources from across the whole system to shift the focus of care and support away from intervention at the point of crisis to a more pro-active, early intervention model. This can deliver long-term benefits to individuals and the system in terms of improved outcomes and more cost-effective use of resources.

²¹ *The New Performance Framework for Local Authorities & Local Authority Partnerships: Single Set of National Indicators*, Department for Communities and Local Government(2007)

67. These objectives support the shared outcomes set out in 'Putting People First'²². These are that all signatories should ensure people, irrespective of illness or disability, are supported to:

- live independently
- stay healthy and recover quickly from illness
- exercise maximum control over their own life and, where appropriate the lives of their family members
- sustain a family unit which avoids children being required to take on inappropriate caring roles
- participate as active and equal citizens, both economically and socially
- have the best possible quality of life, irrespective of illness or disability and
- retain maximum dignity and respect.

Measuring Success

68. Independent annual assessment of performance has proved a good incentive for improvement across both health and social care. Commissioners will be assessed by the regulator on their performance against the outcome-focused metrics set out in the National Indicator Set. The new Care Quality Commission's performance assessment will contribute to the Comprehensive Area Assessment (CAA).

69. Councils will need to develop their own monitoring systems to understand how the change is experienced by the population. This diagnostic data will need to look at not only efficiency, but also take into account quality assurance and customer satisfaction. Councils will be able to use this information to develop coherent support plans for delivery of personalisation, as well as to identify additional needs and priorities. These should directly inform their Joint Strategic Needs Assessment and local commissioning strategies.

Cancellation of this circular

1. This circular should be cancelled on 1st April 2009.

Enquiries

2. Any queries about this document should be addressed to Helen Tomkys, Department of Health, Social Care Policy and Innovation Team, Wellington House, 133-155 Waterloo Road, London SE1 8UG. You can email: Helen.Tomkys@dh.qsi.gov.uk
3. This Circular may be freely reproduced and can be found at:
http://www.dh.gov.uk/en/Publicationsandstatistics/Lettersandcirculars/LocalAuthorityCirculars/DH_081934.
4. Current circulars are now listed on the Department of Health website on the internet at:
<http://www.dh.gov.uk/en/Publicationsandstatistics/Lettersandcirculars/LocalAuthorityCirculars/index.htm>. © Crown copyright 2007.

²² Putting People First: a shared vision and commitment to the transformation of Adult Social Care, HMCG, http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_081118

For further information:-

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Background Documents:-

Documents are available for inspection at:
Joint Committee Support Office/ or EC JIT Support Office (delete as appropriate)
Town Hall
Macclesfield
SK10 1DX

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CHESHIRE EAST COUNCIL

Cabinet

Date of meeting: 16 June 2008
Report of: Paul Ancell – Places Block Lead
Title: Consultation responses to the Sub-National Economic Development and Regeneration Review and the partial review of the Regional Spatial Strategy

1.0 Purpose of Report

- 1.1 To make Members aware of the current consultation exercises and obtain delegated approval for the making of a response from Cheshire East Council.

2.0 Decision Required

- 2.1 That (i) the response to the Sub-National Review (SNR) which is to be formulated by the Sub-Regional Leaders at its meeting on 13th June, be endorsed, and (ii) Delegated authority be given to the Places Block Lead Officer (Paul Ancell) in consultation with the Planning and Housing Strategy Portfolio Holder (Cllr Jamie Macrae) to respond to the partial review of the Regional Spatial Strategy on behalf of Cheshire East.

3.0 Financial Implications for Transition Costs

- 3.1 None.

4.0 Financial Implications 2009/10 and beyond

- 4.1 None that can be identified at this time.

5.0 Risk Assessment

- 5.1 Not applicable.

6.0 Background

- 6.1 Two Government consultations are currently being undertaken which it is appropriate for Cheshire East Council to respond to.
- 6.2 The first is 'Prosperous Places: Taking forward the Review of Sub-National Economic Development and Regeneration (SNR) which seeks to establish new ways of delivering economic proposals and regeneration through sub-regional organisations. It proposes greater emphasis and powers for local authorities leading both the research and delivery of economic development.

- 6.3 SNR also envisages the NWDA evolving into an integrated regional agency with wider responsibilities. The NWDA would gain responsibility for providing an integrated regional plan (including regional planning policy).
- 6.4 The Review highlights the need for effective public and private sector partnerships and points towards delegation and devolution of funding from the NWDA to sub-regional groups and local authorities.
- 6.5 Work across all the local authorities in Cheshire and Warrington has been undertaken, with a view to agreeing a response to the consultation. A copy of the proposed response is attached as an Appendix to this report. It is anticipated that it (or an amended version) will be approved at the Sub-Regional leaders at their meeting on 13th June. It is recommended that this response be endorsed on behalf of Cheshire East Council.
- 6.6 The partial review of the Regional Spatial Strategy (RSS) is being consulted on during June. The timescales do not permit a report being submitted to a scheduled Cabinet, and it is therefore recommended that delegated authority be given to the Places Block Lead Officer in consultation with the Portfolio Holder for Planning and Housing Strategy, to submit a response on behalf of Cheshire East Council.
- 6.7 At the time of writing this report it was unclear as to the detailed scope of the review, however, it is anticipated that the issue of housing figures, and in particular their geographical application will form part of the exercise.

7.0 Options

- 7.1 To respond as recommended in the report or to miss deadlines and run the risk that the Council's views are not taken into account.

8.0 Reasons for Recommendation

- 8.1 In order to respond to the consultation within the given timescales, it is necessary to put these arrangements in place.

For further information:

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Background Documents:

Documents are available for inspection at: Macclesfield, Sandbach and Crewe Council Offices, or on-line.

Cheshire & Warrington Leaders Meeting, 13 June 2008
**Response to Government Consultation - "Prosperous Places: Taking Forward
the Review of Sub-National Economic Development and Regeneration"**

Introduction

At previous meetings, Leaders have received reports on this subject and agreed that a sub-regional response should be made. The deadline for responses is 20th June and a draft is attached at Appendix 1. If approved, this would be forwarded to the e-address set out in the consultation paper.

The draft response has been forwarded to officers on behalf of the current and shadow Cheshire and Warrington Authorities as well as Cheshire and Warrington Economic Alliance and reflects the comments received.

In addition to the draft response, individual authorities in the sub-region will be responding separately. The Cheshire and Warrington representatives on the NWRA Executive Board have also had the opportunity to comment on the joint response by NWDA and NWRA.

Response summary

The consultation paper incorporates 15 questions and responses have been provided to all except one which relates to London. The key comments are summarised as follows:

- (i) Welcoming the proposals in general;
- (ii) Indicating a wish to be involved with delivering the Strategy on the ground through a delivery plan and for there to be a statutory requirement for RDAs to delegate to local authorities or sub-regional partnerships wherever possible;
- (iii) Commending the development of the NW Regional Leaders Forum as being in line with Government expectations;
- (iv) Expressing concern about the lack of clarity surrounding the proposed scrutiny arrangements;
- (v) Supporting the proposed contents of the regional strategy but seeking clarification about both its relationship with other strategies and the operation of the examination in public;
- (vi) Supporting the idea of an expedited process for strategy production in the NW but seeking assurances that local authority and sub-regional views on priorities will be included;
- (vii) Supporting the option for economic assessments which is more prescriptive but requires the RDA to take account of them (Option 1);
- (viii) Stressing the importance of linking the regional strategy to sustainable community strategies and LAAs;

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**Response to Government Consultation - "Prosperous Places: Taking Forward
the Review of Sub-National Economic Development and Regeneration"**

- (ix) Broadly welcoming the proposals for an expanded Regional Funding Allocation advice opportunity and suggesting that advice on skills development should also be incorporated;
- (x) Supporting increased sub-regional working but stressing that the reality of economic geography does not always fit this neatly.

Recommendation

The Leaders are recommended to approve the draft response at Appendix 1.

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Response to Government Consultation - "Prosperous Places: Taking Forward
the Review of Sub-National Economic Development and Regeneration"

Appendix 1

Prosperous Places Consultation: Response of Cheshire and Warrington Sub-region

Q1. How should RDAs satisfy themselves that sufficient capacity exists for programme management and delivery at local or sub-regional level?

It is important that RDAs have confidence in the capacity at local and sub-regional level. An assessment of that capacity should be carried out in a clear and transparent way on the basis of objective criteria. Those criteria should be agreed between the RDA and local authorities or sub-regions and could be jointly developed. There may be a role for the new Regional Forum. It is clear that RDAs are more comfortable delegating to economic development companies and sub-regional partnerships, but it is important that they are equally happy delegating to individual local authorities where that is appropriate.

It is likely that RDAs would wish to ensure that there is capacity at all appropriate levels; the issue is therefore not simply an assessment against criteria, but also the need for a mechanism to ensure that capacity can be created and sustained wherever it is needed.

Developing local authority and sub regional capacity in undertaking statutory economic assessments and delivering major economic development and regeneration programmes to increase economic growth will be in both implementing the SNR and in ensuring participation in the development of the single regional strategy. The RDAs should therefore ensure adequate resources are made available to support the development of that capacity.

Whichever method of assessment is instituted, clear contractual arrangements will be needed with thorough risk assessments conducted. The SNR refers to Memorandums of Understanding, although proper contracts need to be in place with full 100 per cent funding allocated by RDAs.

Q2. Do you agree that local authorities should determine how they set up a local authority leaders' forum for their region, and that the Government should only intervene if the required criteria are not met or if it failed to operate effectively? If not, what would you propose instead?

Yes they should. Experience in the North West is that the local authorities, the Development Agency and the social economic and environmental partners working in association with the Government Office have already been able to develop a leader's forum and agree the broad principles of its operation and funding. We feel this model would meet the required criteria.

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Q3. Are the proposed regional accountability and scrutiny proposals proportionate and workable?

No, they are too vague about who is doing what. There needs to be clarity about the roles of DBERR, DCLG, the Regional Committee and the local authorities. There should also be a facility for their respective work programmes to be synchronised and, with regard to the regional arrangements, some shared members. In the North West, the local authorities have so far decided to discharge their new responsibilities collectively, on the grounds that this is more cost-effective than each of the 46 doing it separately. We would support the proposal that, to avoid possible conflicts of interest, the scrutiny function should involve different Members from those on the Leaders Forum. There will be a cost attached to this work, however, which is not recognised in the consultation paper.

Chapter 4 – Integrating regional strategies to promote growth

Q4. Do you agree that the regional strategy needs to cover the elements listed at paragraph 4.13? Are there other matters that should be included in the regional strategy to help in the delivery of key outcomes?

Yes, it should cover these elements but more clarity will be needed both about how this will be done and how the regional strategy will relate to other strategies. If the RS is truly to encompass the topics which are related to economic growth, then aspects of health, education, skills and tourism should also be included. Paragraph 4.2 refers to integrating cultural strategies but culture does not appear on the list at paragraph 4.13. The Government may wish to consider the possibility of an overarching regional strategy with a number of more detailed or topic-based documents relating to it. Apart from its links to recent Government policy announcements, it is not clear why housing provision is specified separately but transport, waste and a number of other areas of provision are grouped together. We believe it to be important that the whole regional strategy should carry statutory weight.

Q5. Do you agree with the way in which we propose to simplify the preparation of the regional strategy, as illustrated in the figure (on page 35), in particular allowing flexibility for regions to determine detailed processes? If not what other steps might we take?

The Cheshire and Warrington sub-region generally welcomes the approach set out. There are concerns about the proposals for resolving conflict, particularly towards the end of the process: we would like to see some encouragement for more local mechanisms, perhaps involving the Minister for the NW. In addition, the phrase "sign-off" is not favoured as it suggests something that happens at the end of the development process whereas paragraph 4.18 makes it clear that local authorities should work with the RDA "in the full life cycle of the strategy" and we welcome this. The flexibility over the timing of formal reviews of the Strategy is welcome; however, timing should be left to regional discretion, based on a local assessment.

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The preparation and submission of the regional strategy is only part of the task. Serious reference to delivery is missing. The delivery plan being considered by the Government is viewed in Cheshire and Warrington as an integral part of the process. It should be drawn up on a sub-regional basis and identify both named partners for implementation and the resources to be delegated. The costs and time needed to develop these plans should be considered in any proposals.

We think there should be statutory requirement for RDAs to delegate responsibilities and resources, wherever possible, to local authorities either individually or working in a private / public partnership. Although local discussion would be necessary, it would be useful to see guidance as to exactly which responsibilities and resources should be delegated by RDAs. The engagement of Local Strategic Partnerships, the integration of Sustainable Community Strategies with regional strategies and the use of LAA mechanisms will also be important for delivery.

Although the proposal for continuous examination in public is welcome, it is not clear how this would work. For example, if there were to be continuous testing, why would there need to be formal consultation and an EiP at the end of the process? Paragraph 4.23 is clearer in this respect than the diagram on page 35. If one purpose is to allow full scrutiny by stakeholders how does this fit in with other scrutiny roles?

The proposals for an expanded RFA advice round are welcomed. There does not seem to be much point in including ERDF, however, as plans for the current period are already well advanced. It would also be desirable for skills funding to be included. While recognising that the scale of costs and other implications means the Government will always want to make the final decision on RFA (Transport) proposals, it would be advantageous if, in future, this could be linked to the development of the regional strategy.

The suggestion that the Government will consider the case for devolving consenting powers for sub-national transport schemes is welcomed in this context.

Q6. Do you think that the streamlined process would lead to any significant changes in the costs and benefits to the community and other impacts?

The greater the scope of the strategy, the more difficult it will be to synchronise all parts of it. This is not a reason for objecting to it but there will need to be far more co-operation in both planning and delivery between Government departments, the RDAs, the local authorities and private / public partnerships to avoid delays and ensure robustness. The resources will have to be in the system to allow this.

No timing is shown for the production of the first strategies. If they are to take account of the proposed economic assessments, Cheshire and Warrington believe that this would push back the timetable too far. The sub-region supports the

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suggestion of the NWDA that the region should pilot a more expedited process for the production of the first strategy. However, this does raise the question of what an expedited process should be and how the decision is taken. If it does not provide for economic assessments to be completed first, then we would want to ensure that local views about priorities and activities were taken into account.

Chapter 5 – Strengthening sub-regional economies – the role of local authorities

Q7. Which of the options for the local authority economic assessment duty (or any other proposals) is most appropriate?

Cheshire and Warrington support option 1. We would prefer the more local discretion implied by option 2 but recognise the importance of moving forward with a clear set of guidelines. We support the proposal for a duty to be placed on named partners to respond within a specified time and would like to see a statutory requirement for RDAs to take account of locally-produced economic assessments.

Q8. What additional information or support do local authorities consider valuable for the purpose of preparing assessments?

Notwithstanding the response to Q5 and the comments in the last paragraph about timing, we strongly support the proposal that locally-produced economic assessments should be the basis of the new strategies.

It is not clear, however, how this will happen. At present RDAs carry out their own assessments to inform the RES. Will this resource be made available to local authorities? Do we risk having a local authority resource to carry out the assessments and an RDA resource to validate them? Clearly, the assessments must be of a sufficient quality to be taken into account by the RDAs, so the issue of capacity and resource is important. In some circumstances, it will be appropriate to commission specialised research.

We would also like to see guidelines making reference to the use of reliable data and for the relevant information held at national and regional level to be broken down to the local level.

Q9. How should lead local authorities engage partners, including district councils, in the preparation of the assessment?

It is important that District Councils and other partners are fully involved in carrying out economic assessments and that they have sufficient capacity to engage. The actual mechanism should be decided locally depending on the particular circumstances. It will be important to integrate them with the assessments carried out to inform the Sustainable Community Strategy and develop LAAs. Existing Local Strategic Partnerships and Sub-Regional Partnerships would offer a useable conduit.

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However, for the reasons set out in response to Q10 below, it will also be necessary to build on or develop cross-border links.

Q10. Which partner bodies should be consulted in the preparation of the assessment?

In addition to those identified in para. 5.20, LSPs as well as many sub-regional partnerships will include most of the relevant consultees. However, Cheshire and Warrington's links to neighbouring sub-regions, regions and Wales suggest that engagement should take account of the reality of economic geography.

Q11. Should any duty apply in London and, if so, which of the proposed models is most appropriate?

No comment

Q12. Do you agree that there is value in creating statutory arrangements for sub-regional collaboration on economic development issues beyond MAAs? What form might any new arrangements take?

Cheshire and Warrington welcome the emphasis on sub-regions but see a greater value in looser arrangements. The risk with statutory arrangements is that administrative convenience will neither reflect the realities of economic geography nor encourage flexible working.

Q13. What activities would you like a sub-regional partnership to be able to carry out and what are the constraints on them doing this under the current legislation?

Cheshire and Warrington already has functioning sub-regional partnerships and would want to build on these. They are under review pending local government reorganisation and the need for a broader based body in response to the Government's proposals for economic development and regeneration. It is the intention that the three new unitary authorities will combine with partners to develop a new vision for the sub-region reflecting the priorities, aims and objectives of each Authority. Proposals are at an early stage of development and have received approval in principle from the local authorities. There will need to be inclusive discussions within the sub-region and with NWDA before they can be firmed up.

Sub-regional partnerships as envisaged in SNR will clearly be created for a purpose. The model for packages of activities may be provided by emerging MAAs, but activities to be carried out at a sub-regional level could be far wider. They could include oversight of shared service provision and the agenda for improvement and efficiency as well as the co-ordination of sub-regional views in respect of RDA scrutiny, the regional strategy and delivery plans. They could include commissioning plans for 16-18 learning and other skills development provision, exercising consent

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powers for certain major transport schemes, if delegated and, subject to legislation providing appropriate powers, the construction of affordable housing.

What would assist at this time is the availability of resources and capacity to help set up these desirable sub-regional arrangements. We would be happy to work with the RDA to achieve these and believe that they should have a leading role in supporting the necessary development work.

Q14. How would a sub-regional economic development authority fit into the local authority performance framework?

On the face of it, it wouldn't, as by definition the forthcoming Comprehensive Area Assessments will introduce an accountability framework which is not sub-regional. In the loose partnership currently envisaged by Cheshire and Warrington (see Qs 12 and 13 above), we are unlikely to seek such an authority. There would be scope, however, for certain targets, performance indicators and activity to be synchronised and for links to be made with partners such as Police, Fire and Health where their operational boundaries coincided with or aggregated to the sub-region.

Q15. Should there be a duty to co-operate at sub-regional level where a statutory partnership exists? To whom should this apply?

Yes - all relevant local authorities, the RDA, new Homes and Communities Agency, new Skills Funding Agency, DWP, Jobcentre +, Environment Agency and others should have a duty to co-operate. This should be consistent with the Local Government and Public Involvement in Health Act 2007 which sets out a comprehensive list of those that have a duty to co-operate with a Local Area Agreement.

CHESHIRE EAST**Cabinet**

Date of meeting: 16 June 2008
Report of: Policy Support Team
Title: Progress Reporting Paper

1.0 Purpose of Report

- 1.1 The purpose of this paper is to provide Members with an update on the programme; to draw attention to progress made against key milestones and highlight what the next steps will be for the forthcoming month.

2.0 Decisions Required

The Cheshire East Cabinet is recommended to:

- 2.1 note progress made during May (appendix 1); and
2.2 recognise activities to be undertaken throughout June (appendix 2)

3.0 Financial Implications for Transition Costs

- 3.1 None

4.0 Financial Implications 2009/10 and beyond

- 4.1 None

5.0 Risk Assessment

- 5.1 All milestones should be considered against the full Risk Register.

6.0 Background - Appendix 1: Progress during May

- 6.1 Appendix 1 sets out the key milestones, as taken from the High Level Implementation Plan, which were due for completion in May. The status of each milestone and a brief description of what has been achieved can be found here.

7.0 Options - Appendix 2: Next Steps for June

- 7.1 Appendix 2 highlights the key milestones to be achieved in June.

8.0 Appendix 3 – Milestone Plan

- 8.1 Appendix 3 provides a visual representation of progress to date in the form of a Milestone Plan.

9.0 Reasons for Recommendations

9.1 Members of the Cabinet are invited to comment on:

- achievements to date; and
- activities that need to be undertaken next month

9.2 Members will be updated on progress against June milestones at the next Cabinet in July.

For further information:-

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Background Documents:-

Documents are available for inspection at:

Member Support Team, Westfields, Middlewich Road, Sandbach, CW11 1HZ

APPENDIX 1

PROGRESS DURING MAY

Listed below are a number of key milestones that were due to be completed in May. The status of each milestone and a brief summary of what has been achieved can be found in the paragraphs following the table. **(Benefit Critical Milestones appear in bold text)**

Overall Programme	6.1 Elections Take Place 6.2 First Full Council 6.3 Commencement of Chief Executive Recruitment Process
People	6.4 Managing Relationships with Schools – key issues paper produced 6.5 Agree definition and Block (People or Places) of Cultural Services
Places	6.6 Major transport Scheme Funding / LTP Funding (inc Alderley edge By Pass)
Performance & Capacity	6.7 Area & Neighbourhood Working Principles and Community Empowerment Principles to be developed. 6.8 Draft Protocol for general consent in relation to Disposals/Contracts and Agreements (Key DCLG Milestone) 6.9 First of a series of Member Learning & Development events
HR	6.10 Shadow Council to make decision on Pay, Gratings and Conditions of Employment 6.11 Cabinet Council decision on Severance
IT / Knowledge Management	6.12 IT support for all Shadow Councilors to be in place

6.1 Elections Take Place - COMPLETE

Elections took place on 1 May 2008. The results for Cheshire East are set out below:

Conservative	55
Liberal Democratic	12
Labour	6
Middlewich First	3
Nantwich Independent	1

6.2 First Full Council - COMPLETE

The first full Council meeting of Cheshire East Authority was held on 13 May where the Leader, Chairman and Cabinet Members were appointed. Julie

Openshaw had been appointed as interim Statutory Monitoring Officer and Lisa Quinn as the interim Finance Officer for the East. Other business included constitutional arrangements, calendar of meetings and committee structures.

6.3 Commencement of Chief Executive Recruitment Process - COMPLETE

The Chief Executive posts for both Cheshire East and Cheshire West & Chester have been advertised. Closing dates for both posts will be 10th June. The appointments will be made by the Shadow Authorities and the process and timetable will be agreed with their respective Staffing Committees.

6.4 Managing Relationships with Schools: Key issues paper produced - COMPLETE

This item is on the Cabinet agenda for discussion and will be the first of a series of papers that will look at how relationships with schools can be managed especially in relation to Children's Trusts. In the following months a number of papers will be produced and induction events held which will focus on a number of issues including:

- Education and Inclusion Partnerships
- School Funding
- School Admissions Policy
- School Transport Policies
- SEN, Inclusion and Special Schools Provision
- Issues for the new Local Authority arising from 'New Relationships with School' and current legislation; and
- Review of Business Support to Schools

6.5 Agree definition and Block (People or Places) of Cultural Services – COMPLETE

An initial paper has been produced by a working group within the People's Block looking at the definition of Cultural Services and their potential location within the new Member and Officer Structure. A final decision will be sought from the Cabinet in July alongside the wider discussion on service structures.

6.6 Major transport Scheme Funding / LTP Funding (inc Alderley Edge bypass) - COMPLETE

This item is on the Cabinet agenda for discussion and focuses on funding in relation to Alderley Edge bypass.

6.7 Area & Neighbourhood Working Principles and Community Empowerment Principles to be developed - COMPLETE

Officers have undertaken a piece of work looking at Area and Neighbourhood Working and Community Empowerment principles. These principles will be outlined to Members at an event to be held in June along with Partnership and general LSP issues. Officers from the Performance & Capacity Block are keen for Members to be involved from an early stage.

6.8 Draft Protocol for general consent in relation to Disposals/Contracts and Agreements (Key DCLG Milestone) - COMPLETE

The draft Protocol for general consent under the Section 24 Direction was adopted by the Implementation Executive on 21 May.

6.9 First of a series of Member Learning & Development events - COMPLETE

The first Member Learning and Development Session for Cheshire East was held on 7 May where the group addressed the overall vision, culture and values for the Council, the potential challenges services face, Code of Conduct and future political arrangements.

Future Member Induction events are likely to be structured around the three departmental 'Blocks' – People, Places and Performance & Capacity.

6.10 Shadow Council to make decision on Pay, Gradings and Conditions of Employment - COMPLETE

The proposals were agreed subject to agreement by Trade Union Stewards. There may be a need to report back depending on the outcome of the discussions with the Unions.

6.11 Cabinet/Council decision on Severance - DELAYED

This milestone has not been completed due to central Governments delay on issuing the national staffing regulations and continuing discussions with the Trade Unions. A paper on severance will be taken to the Implementation Cabinet and Council meetings in July.

6.12 IT support for all Shadow Councillors to be in place - COMPLETE

Members have responded to the ICT group with their requirements and appropriate security forms have been completed.

APPENDIX 2

NEXT STEPS FOR JUNE

The following milestones have been grouped under the relevant Block, Joint Transitional Project or Overall Programme and are to take place throughout June. **(Benefit Critical Milestones appear in bold text)**

Overall Programme	<ul style="list-style-type: none"> Implementation Executive
People	<ul style="list-style-type: none"> Advise on budget setting for schools Commissioning Arrangements Health Social Care and Supporting People Health & Social Care Integration
Places	<ul style="list-style-type: none"> No key milestones for the month of June
Performance & Capacity	<ul style="list-style-type: none"> Define Area & Neighbourhood Working and Community Empowerment Principles
HR	<ul style="list-style-type: none"> Options on office locations, Headquarters and approach to Flexible and Mobile Working
Finance & Asset Management	<ul style="list-style-type: none"> Advise on budget setting for 2009/10 Initial Financial Cost Envelope 2009/10 (and beyond) included Dedicated Schools Grant and other funding streams
IT / Knowledge Management	<ul style="list-style-type: none"> Shadow Authority websites operational Develop a high level ICT Protocol

Benefit M/S

Complete M/S

At Risk M/S

Delayed M/S

On Track M/S

Impact M/S

Amended M/S Via CRF

TODAY

	07/08 Q4	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan-09	Feb	Mar	Q1	Q2	Q3	Q4
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Cheshire East High Level Implementation Plan

Overall Programme	SCOPING/ BASELINING RESULTS - KEY DCLG M/S											Agree Corp. plan & Med. Term Perf./ Fin. Plan					
	Service Delivery Principles																
People																	

	07/08 Q4	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan-09	Feb	Mar	Q1	Q2	Q3	Q4
Places			Major Transport Scheme Funding		Waste disposal & collection issue paper Alderley Edge By Pass contract		LDF Local Development Scheme & Statement of Comm Involvement		LDF core strategy consultation Waste disposal contract pref. bidder								
Performance & Capacity			Develop Area & Neigh. Working and Community Empowerment Principles Draft Protocols Disposals/ Contracts/ Agree-ments Member learning/ develop-ment	Define Area & Neigh. Working and Community Empowerment Principles					Est. shadow local Strat. Partnerships					Cheshire's LAA goes live Interim Sus. Cheshire Comm. Strat goes live Perf. Man. Framework in place by 01.04.09	New Local Strat. Part. Go live 2010 Comp Area Assessment Corporate Plan goes live		
HR		Training/ rev. Priorities/ provisions for iLT	Robust decision on Governance	Options on office locations, headquarters & FMW	Staff retention scheme considered F&MW employee principles agreed T & D Priorities and provisions and lIP	Principles for agg/dis-aggregation of staff	High level org. structures agreed			Strat. for pay & policy HR	Transitional structures agreed	Sen. Mans. (tier 3) recruitment		Finalise appointments & manage displaced employees			
Finance & Asset Management		Trans. costs & budget for E.J.C		Advise on Budget Setting for 2009/10 Initial Financial Cost Envelope 2009/10	Disaggregate County Budget, Assets & liabilities & formula grant	Transferral of assets agreement Medium Term Financial Strategy Update	Implemen Financial ledger for modelling		Finalise 2009/10 taxbase		Formal budget consultation Planning closure 2008/09 Accounts Medium Term Financial Strategy Update	Council tax billing system go live Agree 2009/10 Budget & Council Tax Corp Plan and Medium Term Performance & Financial Plan agreed by Shadow Council		Procure-ment contracts			
ICT/Knowledge Management			IT support for all Shadow Councillors in place	Shadow Auth. Web-sites operational Develop a high level CT protocol													

Proposed Timetable for Cheshire East Cabinet meetings for 2008/09

DATE OF MEETING 2.00 pm unless stated	VENUE
Monday 16 June	Capesthorne Room Macclesfield
Thurs 17 July 10.00 am	Capesthorne Room Macclesfield
Tues 12 Aug	Committee Suite Sandbach
Mon 8 Sept 10.00 am	Council Chamber Crewe
Tues 7 Oct	Committee Suite Sandbach
Tues 4 Nov	Capesthorne Room Macclesfield
Tues 2 Dec	Capesthorne Room Macclesfield
Tues 6 Jan	Committee Suite Sandbach
Tues 3 Feb	Council Chamber Crewe
Tues 3 March	Capesthorne Room Macclesfield
Tues 31 March	Council Chamber Crewe
Tues 28 Apr	Committee Suite Sandbach
Tues 26 May	Council Chamber Crewe

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