

Public Document Pack



To Members of the Performance and Capacity
Advisory Panel

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DATE: 19 January 2009

OUR REF:

YOUR REF:

Dear Councillor

ADVISORY PANEL - PERFORMANCE AND CAPACITY - WEDNESDAY, 21ST JANUARY, 2009

I am now able to enclose, for consideration at next Wednesday, 21st January, 2009 meeting of the Advisory Panel - Performance and Capacity, the following reports that were unavailable when the agenda was printed.

Item 5 2009/2010 Budget (Pages 1 - 38)

To consider a report on the 2009/2010 Budget.

Item 6 Shared Services Update (Pages 39 - 40)

To consider a report on Shared Services.

Item 7 Mobile and Flexible Working (Pages 41 - 42)

To consider a report on Mobile and Flexible Working.

Item 8 Task Group Updates (Pages 43 - 46)

To consider updates from the various Task Groups.

Yours sincerely

Democratic Services Officer

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Cheshire East Council

Consultation on the 2009-10 Budget

General Briefing for Stakeholders

January 2009

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1. Introducing Cheshire East Council

During 2008-09 a major restructuring of local government is taking place in Cheshire. This is one of the most challenging local authority restructuring projects being undertaken in England at present. Seven Councils i.e. Cheshire County Council and the six Cheshire District Councils will be replaced with two all purpose unitary authorities:

- **Cheshire East Council** (comprising part of Cheshire County Council and the District Councils of Congleton Borough Council, Crewe and Nantwich Borough Council and Macclesfield Borough Council); and
- **Cheshire West and Chester Council** (comprising part of Cheshire County Council and the District Councils of Chester City Council, Ellesmere Port and Neston Borough Council and Vale Royal Borough Council).

The reorganisation is the result of several years of debate over what form of local government will provide the best services to the people of Cheshire in the most efficient and effective way. It has not been approached lightly and a considerable amount of work is underway to ensure the new authorities are operational for 1st April 2009.

The work to date has included:

- The creation of two Shadow Authorities;
- The election of new Members and the formation of committee structures;
- The appointment of the new Chief Executives and good progress with the appointment of the new directors and third tier staff;
- The development of high level Financial Scenarios and ongoing work to set budgets and design new services.

During the initial months there was a certain amount of common ground for the new authorities and this was handled in the most effective way. However, as the development of the authorities has accelerated there has been a natural separation and at this point both authorities are ready to hold separate events to consider the services and budgets that will be effective from 1st April 2009.

This document has been produced by Cheshire East Council and focuses on the issues and budget proposals for the new Council.

2009-10 Budget Setting

There are several key steps in the process that remain to be completed to arrive at a balanced and sustainable budget, these include:

- Further refinement of new service structures and budgets
- Budget Consultation with stakeholders, staff and the public
- Taking account of Budget Consultation feedback

- Finalising the Budget and Council Tax at the Council Meeting in late February

Budget Consultation is a key part of this process. However, the challenges of producing a budget for a new authority have meant we have been unable to publish budget options in the level of detail and to the timescales that we would wish to in a normal year. While we acknowledge the limitations of the information we have been able to provide to stakeholders, all comments are welcome and we are determined to improve the arrangements in future years. We welcome comments on how that can be achieved and what level of consultation you would expect.

The following Budget Consultation meetings have been set up for Cheshire East Council:

- Parish Councils – 12th January – 7pm at Crewe Hall
- Trades Unions – 13th January – part of a formal meeting
- People and Places – 14th January – 10am at Wychwood Park (open to all stakeholders)
- Schools Forum – 19th January – part of a formal meeting
- Business Breakfast – 20th January – 7:30am at Mere Golf and Country Club

In addition, material will be made available on the website, in libraries and in public areas of Council buildings.

The remainder of this document is structured into the following key areas:

- Cheshire East Background / Profile information
- Cheshire East Financial Outlook
- Key Service delivery areas
- Key Budget Proposals – note that the key issues for each particular Stakeholder group will be included.

2. Cheshire East Profile

As Cheshire East Council is a new authority, covering a newly combined area, it is timely to remind ourselves of some of the demographic and other statistical issues which in turn affect the nature of services provided.

A detailed profile of the area is attached as an Appendix. Some key points from this include:

- Cheshire East has a population of 360,700 (2007 mid-year estimate). This is 5% of the North West's population and 0.7% of England & Wales' population.
- The age structure of Cheshire East is slightly older than that of England & Wales. The number of people aged 85+ will double between 2006 and 2026.
- Over 3% of Cheshire East residents are non white. There are also a significant number of economic migrants who have arrived from Eastern Europe, mainly Poland, although it is difficult to provide accurate detail on the numbers.
- Cheshire East is a relatively safe place to live although Cheshire's Quality of Life survey shows crime is still a top concern for residents. In 2007-08 there were 24,346 recorded crimes in Cheshire East, this is 67 per 1,000 population. This is well below the National Average of 92.
- Manufacturing remains a much more significant employer in Cheshire East than in other parts of the UK with 17% of employees working in manufacturing.
- 54% more people are claiming Jobseeker's Allowance in Cheshire East compared to 12 months ago.
- In Cheshire East the ratio of house prices to household incomes is higher than for the North West.
- The proportion of GCSE candidates achieving grades A*-C was 63% in 2006 compared to 59% for England.
- Within Cheshire East, domestic CO2 emissions per capita were higher in 2005 compared to the national average.
- There are pockets of significant deprivation, many of them in Crewe, East Congleton, South Macclesfield and North Wilmslow.

More detailed information is available from:

<http://www.cheshire.gov.uk/randi/lilac.htm>

Economic Downturn

As noted above there has been a sharp rise in the number of people claiming Jobseeker's Allowance (JSA) in Cheshire East. It is therefore worth also considering how the current economic downturn poses a much greater risk to some industries than others. In particular:

- The credit crunch will lead to significant job losses in the Financial Services sector (4.5% or 7,500 employees in Cheshire East in 2007 with a high proportion in Macclesfield).
- The weakness of the housing market, and the wider property market, will have a knock-on effect on the construction sector - and also on businesses which supply household appliances, furniture and other durable goods (5.0% or 8,300 employees in Cheshire East with a high proportion in Congleton).
- Job losses, increased job insecurity and decreasing profit margins will also reduce demand for cars and commercial vehicles (as well as other capital goods) (2.6% or 4,400 of the Cheshire East employees with a high proportion in Crewe and Nantwich).
- It is also anticipated that the Chemicals & Pharmaceuticals sector will continue to shed jobs (4.7% or 7,900 employees in Cheshire East with a high proportion in Macclesfield).
- The scarcity of non-renewable energy will place long-term pressure on energy prices, which again will affect transport-related industries.

The latest (2007) estimates of the numbers of employees working in these sectors is 17% of the overall employment in Cheshire East which is slightly higher than the proportion at national (Great Britain) level (12%) or across the North West region (13%).

3. Cheshire East Council: Financial Overview

Cheshire East Council has developed a base budget and Service budget levels from a proportion of Cheshire County Council (roughly 51%) and the three District Councils in Congleton, Crewe and Nantwich and Macclesfield.

After refinement, this has indicated a required service budget of some £234m (excluding schools). However, a key issue has been funding and negotiations with the Department for Communities and Local Government and Cheshire West and Chester Council have resulted in an agreed split of Government funding (i.e. Revenue Support Grant and Non-Domestic Rates) and the new Cabinet has proposed an approach to Council Tax.

These two sources of funding, Government Grant and Council Tax, have been set against the base budget levels and after allowing for certain central provisions such as inflation have resulted in a need to make savings.

The need for savings reflects the general Financial Scenario facing the Council i.e. the continuation of below inflation increases in Government funding and a Political will to keep Council Tax increases below inflation. At the same time cost pressures facing services continue to increase – some by more than inflation e.g. Adult Social Care Contracts and Bus Contracts.

Another key factor has been the split of Specific Grants. The authority receives a large amount of Specific Grants each year for services such as Social Care Reform, School Development and Youth Opportunities. It has been necessary to split all the Grants received East and West. The end result is that some £60m has been included in the budgets set out below. The use of these grants will be carefully reviewed in the coming year.

The state of the economy has had an impact with the Council having to reduce income targets in the areas of car parking, planning and business rates and allow for potentially higher levels of non collection. These issues will be kept under review in light of changing economic circumstances. Further work is underway to fully assess the impact of the credit crunch, further redundancies in the region and the weakness of the housing market on the Cheshire East area, and to determine what the Council can do to help individuals and businesses.

However, one of the key reasons for undertaking the reorganisation was to generate significant levels of efficiency savings, e.g. lower management and support costs, which can be used to keep Council Tax low and reinvest in front line service areas. These savings will take time to achieve but will give the Council greater flexibility to move away from budget reductions and give scope for investment in priority areas.

Key Budget Assumptions

The following key budget assumptions have been made:

- Pay inflation – after consideration of the current economic climate and the nationally negotiated pay award for 2008-09 an increase of 2.5% has been provided for.
- Non pay inflation – provision for non pay inflation has been set at 0.5%.
- Exceptional inflation – service budgets include certain contract costs relating to roads maintenance, household waste and social care. In some cases the costs of the contracts are increasing by more than the average rate of inflation. At this stage the anticipated cost increases are being kept under review and will not be finalised for a few more weeks.

Council Tax

Local Authorities in Cheshire have an enviable record in relation to low Council Tax increases and the new Cheshire East Council is conscious of the impact such increases have, particularly on those with fixed incomes, and are therefore determined to keep such increases under tight control.

Council Tax for Cheshire East will be harmonised from 1st April 2009, based upon the lowest Tax level of the predecessor authorities. In effect this means that the “starting point” - when considering Council Tax setting for 2009-10 - will be the combined County and Borough Council taxes in the Crewe & Nantwich area in 2008-09, as illustrated in the table on the following page.

As in previous years, for 2009-10 the Government again expects average Council Tax increases in England to be “substantially below 5%”. Cheshire East aims to meet that expectation.

Whilst levels of specific and general grants from Central Government are largely fixed, the Council faces a number of challenges (service / budget pressures) as well as opportunities (scope for rationalisation / efficiency savings).

With Council Tax income to Cheshire East estimated to exceed £170m in 2009-10 a 1% change equates to approximately £1.7m. Therefore, local taxation is an important part of balancing the Budget and financial planning for the future.

The proposal is to set the Cheshire East Band D Council Tax for 2009-10 at £1,196.01, being an increase of just 1.14% on the lowest (harmonised) 2008-09 Band D Council Tax. For residents of the existing Boroughs, this option would mean the following:

	Congleton £	Crewe & Nantwich £	Macclesfield £
County/ Borough Council Tax in 2008-09	1,208.09	1,182.56	1,196.01
Cheshire East Council Tax for 2009-10 - <i>Option under consideration</i>	1,196.01	1,196.01	1,196.01
£ change, increase / - decrease	-£12.08	£13.45	£0.00
% change, increase / - decrease	-1.00%	1.14%	0.00%

A 2009-10 Council Tax at, or close to, this level would more than meet Central Government's expectations and also help to achieve our objectives of reducing the burden on local tax payers.

However, in setting the Council Tax at its meeting on 24th February 2009, Cheshire East Shadow Council will consider a range of factors affecting its budget, including pay and price inflation and growth in demand for services.

In producing a balanced Budget and setting a Council Tax for 2009-10, the Council will look to provide stability and financial sustainability for the medium term.

Icelandic Banks

Like many other local authorities, we have been affected by the turmoil on the stock exchange in September / October and the collapse of the Icelandic Banking System. Some of the Council's money (circa £4m) was invested in Heritable Bank – a UK subsidiary of Landsbanki, which at the time the money was invested was given the highest possible credit rating. Currently, the position regarding the recovery of this money is still unclear, however, it will not impact on service delivery and the Government has enabled all affected local authorities to exclude the impact of the loss from their 2008-09 Accounts. Representatives from Cheshire East will maintain pressure on the Administrators to have this money returned.

Cheshire East Council – Key Areas

Cheshire East will be a large local authority and responsible for many key service areas including:

- Schools (Dedicated Schools Grant)
- Social care for children and adults
- Provision of the highways network, road maintenance and transport planning
- Provision of bus services and management of certain transport contracts
- Waste collection and disposal
- Cultural and Leisure Services
- Council Tax collection
- Environmental Health and Trading Standards

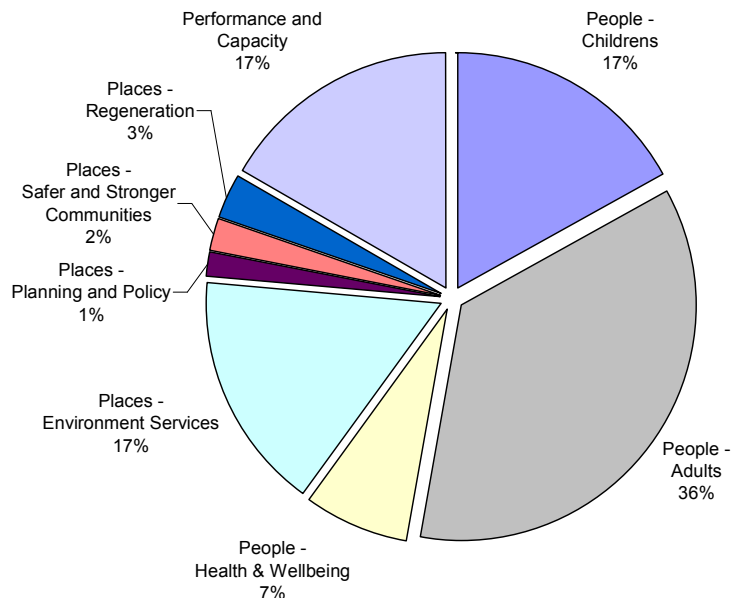
- Housing
- Community Safety

In addition the Authority will be actively seeking to develop partnerships and community engagement initiatives.

The Authority has decided to base its structure on the one set out in the original restructuring proposal of:

- People
- Places
- Performance and Capacity

While detailed structures within these broad headings are still being developed, the following pie chart sets out the approximate proportion of the total Budget represented by key service areas:



Capital Programme

As part of the budget setting process the Council also approves a three year Capital Programme. The capital planning process for Cheshire East has involved:

- a review of the schemes that the Council will inherit from existing authorities which it is committed to deliver;
- a review of the proposals that were in the Medium Term Financial Strategies of the existing authorities;
- identification of capital Transitional Costs;
- the inclusion of new priorities for Cheshire East Council.

At this stage the following key assumptions have been made; all of which will need to be adjusted at various points throughout the budget setting cycle:

- The 2008-09 Programme of each authority will be delivered as planned, and within the currently identified resource envelope (both absolute and mix).
- No account has yet been taken of the appropriate 'financial envelope' or relative political priorities of the new authorities.
- It has been assumed that all authorities have reviewed their 2008-09 programmes to ensure their expected contribution to Transitional Costs can be accommodated within existing resources (where appropriate).
- The detailed management of the Council's dis-aggregated schemes will be agreed ahead of 1st April 2009.

The outcome of this review has produced the following analysis:

- A. 2009-10 commitments arising out of 2008-09 programme total £53.9m. Included within this total is £19.9m relating to schemes which are not yet contractually committed but which have been identified as still required.
- B. Estimated block allocations are expected to total £35.3m.
- C. Additional new start bids, currently identified, total £5.5m.

The analysis shows that through the aggregation of the current Capital Strategies of Congleton, Crewe & Nantwich, Macclesfield and the County (part thereof) the proposed capital expenditure for the budget period is £94.7m in 2009-10, £59.8m in 2010-11, and £48.0m in 2011-12.

The financing of the Capital Programme is complex but based on the above analysis the proposed funding sources would be as follows:

	2009-10 £m	2010-11 £m	2011-12 £m
External			
Grants	44.1	37.9	31.5
Contribution	4.7	0.2	0.1
Internal			
Capital Receipts	18.3	7.2	3.1
Borrowing	26.9	14.0	12.8
Revenue Contribution	0.7	0.5	0.5
Total	94.7	59.8	48.0

Whilst a high proportion of the Capital Programme will be funded by external sources, as shown above, an element of the programme has a direct impact on Cheshire East Council's revenue budget.

4. Corporate Planning Process

The Cheshire East Council Corporate Plan is being developed as an Interim Plan to allow Cheshire East to develop its Medium Term Financial Strategy (MTFS) and to set its Budget for 2009-10. Cheshire East Cabinet will approve the Interim Plan on 17th February 2009 and it will be reported to Council on 24th February 2009. By setting out the Council's priorities and objectives individual services will be able to develop delivery plans which will enable staff to understand their key priorities and actions. This will ensure that the Council delivers on its stated objectives and key priorities.

The Corporate Plan is being developed using the community priorities, outlined in the Interim Cheshire East Sustainable Community Strategy, as the starting point, and also takes into account the priorities and objectives of the four local authorities that will come together to form Cheshire East. These priorities have been published by each authority and have been developed based on consultation with communities and partners.

The current draft version of the Corporate Plan sets out Cheshire East's proposed strategic direction for 2009-10 and also sets out the proposed priorities for its first year. It is proposed that the Council has a series of priorities that directly support the seven Community Strategy themes, and reflect our areas of responsibility.

Children and Young People

- Providing security, care and stability for vulnerable children
- Improving educational attainment

Adult Health and Well-being

- Maximising choice to support older people and disabled people who want to live in their own homes
- Providing leisure facilities to encourage healthier communities

Stronger Communities

- Devolving decision making and budgets to create greater local choice

Safer Communities

- Improving community safety to reduce crime and fear of crime by targeting anti-social behaviour and drug and alcohol abuse
- Improving road safety

Tackling Exclusion and Promoting Equality

- Improving service provision to rural areas
- Appropriate transport for the public and service users

Local Economy

- Supporting the local economy to increase prosperity

Environmental Sustainability

- Managing waste to create less and recycle more
- Tackling climate change
- Improving roads and highways

In addition a further four priorities have been proposed to **Build the New Council** into a flagship authority fit for the 21st century:

- Achieving seamless transition to new authority
- Providing excellent customer services
- Increasing value for money through transformational change and new ways of working
- Harmonising and stabilising Council Tax and maintaining a balanced budget

As the MTFs is developed, recognition must be given to the importance of the Comprehensive Area Assessment in terms of assessing the effectiveness of the Council's partnerships in service delivery. Funding is increasingly being directed towards regional and local partnerships and this requires a different approach to the application of available resources. Further work will be undertaken to ensure that there are effective links with the development of the Local Area Agreement.

5. Cheshire East Council: Budget and Policy Proposals

Introduction

To provide a framework for the Budget Consultation process a series of stakeholder specific briefings have been prepared. The relevant briefing will form part of this document (in hard copy) or can be downloaded as a separate attachment.

Please bring these documents to the meeting.

Feedback can also be sent to the email address:

budgetinfo@cheshireeast.gov.uk

14th January 2009 – People and Places

The People and Places concept came from the business case for reorganisation put forward to the Government in 2007. It is a method of grouping local government services into easily identifiable blocks.

These are large service areas and further briefing on the budget proposals is set out on the following pages.

To enable stakeholders to use their time effectively, focus on issues that are of interest to them and provide a structure for group discussions, the debate will be split into the following service areas:

- | | |
|--------|----------------------------|
| People | - Social Care Services |
| | - Health and Wellbeing |
| Places | - Roads and Transport |
| | - Waste and Other Services |

On arrival at the event, please advise staff at reception on which group you wish to join.

PEOPLE

Purpose

The purpose of the People Directorate is to work, together with partners, to improve the wellbeing, health and care of all Cheshire East's people.

Objectives

The People Directorate has four overarching objectives:-

- **To realise the People concept.** People do not live their lives within our services, but across our services. We must organise and deliver our services in ways which reflect the rounded experiences of people. We must "Think Family" in all that we do. And we must strive to offer people more choices and greater control over the resources made available to them.
- **To work corporately.** If we are to realise the potential of creating a Unitary Local Authority we must work not only within our Directorate but across the whole Council. We shall need to make connections between different services, particularly if we are to come across to people as really joined up.
- **To be transformational.** We have to change things all the time in pursuit of improvement. But our ambition is greater than that. We want to take this opportunity of Local Government Reorganisation (LGR) to reinvent Local Government. That will involve transformations, which are qualitatively and quantitatively greater than routine change. One example is the work we shall be taking forward to redesign Social Care for Adults.
- **To integrate with Health.** Those who look to us for help are interested in the promptness, reliability and effectiveness of that help much more than they are in the source of the provision. We want to integrate much more with Health, both to make our collective offer to the public more seamless, and to get better value out of the resources which are currently managed separately.

Challenges

As we try to fulfil our purpose and achieve our objectives we face a number of tough challenges:

- **Ageing.** We start with a relatively old population and that will become more pronounced. The number of those over 85 years in our population is projected to increase by over 40% by 2016. That will also mean a very significant increase in the number of Older People suffering from dementia.
- **Safeguarding.** The Safeguarding of Vulnerable Adults has become a high profile issue and it demands more attention and resource from us. In the aftermath of tragic events in Haringey it is clear that a very sharp focus of regulation will be directed upon our services and arrangements for safeguarding children.
- **Access.** There are changes in the ways in which people are accessing information, entertainment and cultural services. Those changes require us to rethink the nature of our offer to the public through our Library Services and through the Museums which we fund.

- **Schools.** Our schools generally deliver positive results, although some could do better when it comes to bringing on those children who are more challenged and challenging. That means we have to push forward with the “Narrowing the Gap” agenda. Standards will require continuing attention. As schools form themselves into clusters we shall need to rethink their relationship with the Council and with the communities which they serve.
- **Health.** We shall need to pull together all our contributions to improving health and reducing health inequalities in Cheshire East. That will involve us in working with partners on some really big issues which have a major impact upon our economy, such as mental ill-health. We shall also need to tackle some tricky life-style issues such as obesity, smoking, teenage pregnancy and alcohol consumption.
- **Children’s Social Care.** The level of activity in this area has been in excess of the budget available, so the new Council is inheriting an overspend of £1.7m. That will need to be addressed. Work will be required to review Children’s Social Care, particularly its organisation and its processes.
- **Prevention.** The Council will be unable to handle all the crisis work in relation both to children and adults which might potentially be referred to it. As a result, it will need to work constructively with partners across the whole system of agencies and services, to get them to offer more to vulnerable individuals in the cause of prevention.
- **Personalisation.** We are required to look self-critically at our services and at our ways of working, in order to offer people more choices and to help them to take more control of the resources which might be made available in relation to their needs. As we do that we have to simplify processes, and take costs out.
- **Expectations.** One of our challenges will be to change the expectations of people. In Adult Services, for example, the dynamic of choice will challenge some of the more traditional forms of service provision. We are not likely to be able to continue to lay on transport for people to the extent that we used to.
- **Recession.** The recession will be a challenge to all of us. We are already beginning to see a decline in the income of our Leisure Centres. Other areas of discretionary activity and spending may also go down. We shall need to think through our response to that as a Directorate and as a whole Council.

Financial Issues:-

- **Government Grants.** The dis-aggregation of Government Grants will in some cases give us serious problems. We face, for example, a shortfall of over £100,000 on our grant to fund mental health services. Many of the reforms which we are looking to for savings during 2009-10 depend upon uncommitted grant which we deliberately set aside for that developmental investment. They will also depend upon our ability to make use of the full Social Care Reform Grant. Over £20m of our grant income will become Area Based Grant from 1st April 2009. If services are not to be destabilised we shall need agreement from Local Strategic Partnership colleagues to maintain a steady state during the first year.

- **Responding to Demand.** The increasing Older People population and the rise in the number of those with dementia mean that we shall have to continue to invest in the development of Extra Care Housing, some of it of a specialised kind. Part of our response to the National Dementia Strategy will involve thinking very differently about the future of the Community Support Centres for Older People. All of those developments will require both capital and revenue investment to avoid greater future costs.
- **Addressing Priorities.** Safeguarding, both of Children and Vulnerable Adults, is certain to be given a much higher profile in Government policy and in regulatory attention. In both areas our services are in need of development, and that will certainly require additional revenue investment. Government's decision to transfer many services for adults with learning disabilities from the NHS to Local Government is likely to prove challenging, and will almost certainly exacerbate the great difficulty we are already having in containing expenditure in this area within budget.
- **Investing to Develop and Save.** Government is bringing forward its "Building Schools for the Future" programme. We want to draw upon that to make our schools fit for the 21st century, so we have already put in an Expression of Interest around an £80m scheme. However, to stand any chance of success we shall need to convince central government that we have put the infrastructure in place to handle something on that scale, and we may have to invest as much as £2m to do that. We are placing some Looked After young people in distant placements at great cost because we are struggling to maintain a sufficient supply of local foster carers. To avoid some of those costs we shall need to invest just over £250,000 to boost foster carer payment rates.
- **Becoming More Local.** Localism does not come cheaply. If we are to support and service localities properly, further investment will be needed. We want to make our Library Services more local. For example, we are looking to develop Partnership Libraries, where we support local interests in taking much more control of their library service. We are also looking to outpost library services into a wider range of settings. That will require capital investment, and the ambition will be frustrated from the start if the level of savings required strips out our capacity.
- **Working in New Ways.** We shall need staff to work in more flexible and mobile ways. To facilitate that we shall need to invest capital in software, hardware and some building adaptation. There will also be implications for training activity if we are wanting to get staff to change. As we take forward the Personalisation agenda it will require us to make a bigger investment in information for the public.

Running and Developing Systems

We have some important systems in place which are crucial to our operations. For example, the PARIS system is a computer based index of service users which spans both children and adult services. PARIS and many of our systems will need continuing investment if they are to be maintained and developed. Some of those systems, particularly in children's services, are specified for us from central government, so they are not optional.

Risks

There are significant risks in many areas of the proposed budget. The bulk of the savings to be made in the People Directorate are down to be made by Adult Services, many of them through the Service Redesign Project. If there is substantial slippage on that project, if significant parts of it do not deliver the savings anticipated or have to be reduced because the necessary up-front investment cannot be made, there will be some large holes in the Directorate's budget. If the exceptional inflation which is required in the Social Care field is not made available, it will become necessary during 2009-10 to cut services back commensurately.

PLACES

ROADS AND TRANSPORT

Areas of Investment

Improving the condition of our roads

Revenue spend will include repairing pot holes and pavement defects, gulley emptying, maintaining existing street lighting (excluding Parish lighting), gritting and snow clearing roads, grass cutting, replacing road signs and markings, maintaining road bridges and structures.

Capital spending will be used to maintain and improve the condition of roads and footways by treating the surfaces by a variety of means. It will also include street lighting improvements, highway drainage schemes, enhancements to bridges and structures.

Tackling congestion and air quality

Revenue spending on managing the existing network will include traffic signal operations, coordinating road works, local and strategic traffic signs, driver and travel information, parking strategy and enforcement.

Capital and revenue spending to plan and deliver improvements to the networks will include transport studies, junction and road design, improved junctions and road layouts and new road schemes and on promoting the use of alternative methods of transport other than the private car. Where appropriate it will deliver footway and road crossing improvements, cycling measures and promotion, public transport networks safer routes to school plans and measures, travel plans for major employers.

Making travel safer

Investment, albeit at a lower level than hitherto, in the Cheshire Safer Roads Partnership including a programme of improvements at recognised accident sites, Speed Limit Review of the classified road network, and reviewing energy costs to light our roads.

Improving accessibility

Investment will include plans to support bus networks that are not commercially viable but meet a social need, home to school services, community rail partnerships, and improving bus and community transport services to meet local travel needs.

Capital spending on bus partnerships to enhance stops, buses, information and ticketing, improved bus stations and public transport interchanges, and minor improvements to enhance access for people with mobility issues.

Assessing the impact, and securing highway and transport improvements in relation to development plans and planning applications.

LGR Impact on Services

The management and operation of public transport services is to be carried as part of a pan-Cheshire arrangement for the first year and there are new arrangements for the “client” role for home to school and social care transport. Reduction in funding for the supported network will have an impact for the communities served by those routes and on the wider commercial network and home to school provision.

The level of the capital programme for roads and transport has a direct relationship to the overall level of service delivery across all areas of the business.

The combined impact of a reduction in the revenue budget and the loss of technical skills arising from the dis-aggregation of staff could have a detrimental impact on the ability to deliver services.

Other Key Proposals

The Council will have an on-going commitment to complete the delivery of the Alderley Edge and Nether Alderley Bypass and an interest in developing and implementing other major transport projects, namely: South East Manchester Multi Modal Study projects, Crewe Green Link Road, Crewe Rail Gateway, and Middlewich Eastern Bypass. The scale of these programmes will require significant resources to enable the Council to manage both the process and risks operating as the “intelligent client”.

There are investment needs to deliver key projects that arise from the completion of the new Cheshire East Accessibility Strategy.

The Council will be challenged to identify a new approach for procurement of services and projects in this business area. Over the next two years this will include the development of a new contract to replace the existing highways partnership with Nuttall and could be extended to include other services within Places.

Consultation Issues

In **improving the condition of our roads** should we:

- Direct more funding towards local roads and footways within residential communities as opposed to the strategic highway networks? *Indirectly this could have a positive impact on a variety of National Indicators within the Local Area Agreement but would have a direct negative impact on the two road condition National Indicators.*
- Split funding equitably between the Local Area Partnership boundaries? *The current condition of roads is not equal between these areas so an approach might be that the funding would be weighted between areas to enable the condition of the worst areas to improve to match those of the best.*

In **tackling congestion** should we:

- Place a higher priority on our attempts to improve the flow of traffic and increase the capacity of our networks? *Our records reveal that traffic volumes have risen significantly on certain parts of the road and transport networks in the last 5 years, leading to delays to residents, visitors and businesses and creating air quality concerns.*

In our efforts to **make travel safer** should we:

- Place a higher priority on either: (i) education, training and publicity campaigns, (ii) enforcement measures or (iii) local road improvements or a combination of two or all three of these road safety activities? *Our road safety records suggest that based on current levels of service we are on course to achieve the National casualty reduction targets by 2010.*

In **improving accessibility** should we focus our resources on:

- The range of services affecting rural accessibility and a wider emphasis on access to health and employment opportunities? *These were the priorities identified for Cheshire East at a recent consultation event on the new Accessibility Strategy.*

WASTE AND OTHER SERVICES

Areas of Investment

Waste

The challenge for waste and recycling services is to raise the quality and scope of the services provided to a consistently high standard whilst ensuring that substantial cost reductions are achieved. To provide a consistent platform from which to drive out efficiency, there will be a need to provide up-front investment in some areas so that a consistent service standard is provided. This is particularly true in the Crewe area where investment in additional bins will be required to allow the roll-out of a free of charge green waste collection to all residents thus aligning the service with that of Macclesfield and Congleton. This investment will be accompanied by additional funding requirements needed to plug the income gap left by the loss of green waste bin income currently being received by Crewe. Consideration of the introduction of a kerbside plastic collection in Macclesfield and Crewe will also be given although financing this may need to come from efficiency savings made elsewhere in the waste collection budgets.

In order to drive out the required efficiencies, investment in smarter ways to plan collection rounds will be required. An IT based 'vehicle routeing' system will be procured that will allow more efficient working routes which traverse the historical District boundaries to be identified and implemented. This will also aid the process of planning for the most efficient way of transferring waste to future waste treatment facilities where transportation costs may be a substantial element.

Capital investment in future waste treatment facilities is perhaps the biggest single capital investment that Cheshire East Council will ever embark upon. This procurement process has been on-going for several years managed by the County Council. Cheshire East Council, working in partnership with Cheshire West & Chester Council, is committed to this process with a final selection of a preferred supplier, and hence a decision on progression, expected in late 2009.

Planning and Policy

The economic climate has caused income to fall significantly from recent years and this has created additional pressures on all Policy and Planning functions as budgets continue to rely on income levels previously calculated according to past performance levels. This downward trend may continue within 2009-10. Fee income is set according to national directives and as such the Council is restricted to the amount of charges they can make in relation to these services. Budgets will need to be closely monitored throughout the year to assess the impact of any continuation of the current economic climate.

Economic Development

The Economic Development service will take the lead in Economic Development and Regeneration Strategies, Policies and Masterplans and be the interface with regional and national policies to ensure a corporate and strategic approach. It will provide economic information services to internal and external clients such as research and forecasting and web-based business directories. Inward investment will be promoted by the service and involve developing and maintaining strong links with the private sector and Government agencies to capitalise on economic opportunities and

promotion of the area. Town Centre redevelopment schemes for the major town centres within Cheshire East will take place to ensure they remain competitive running in parallel with programme development, research and funding applications for market towns and key service areas.

Economic Development will also concentrate investment on the delivery of regeneration and environmental projects including employment, housing and recreation sites, the management of business generation centres, and Business Support Development through grant funding to local Chambers of Commerce.

The service will also lead on the Council's response to the economic downturn.

Visitor Economy

There will be a new Visitor Economy service in Cheshire East bringing together services provided across the four constituent authorities and in partnership with other organisations. The management and promotion of Tatton Park as a national and regional resource for residents and visitors alike is a major investment for the Council. This new service will also concentrate on Business Tourism, support for festivals, events and themes which have a beneficial impact on the wider visitor economy (such as the Year of the Garden and the forthcoming Textile Festival). Research and Intelligence in support of the local visitor economy and marketing and promotion of Cheshire East in partnership with other organisations will be a priority.

LGR Impact on Services

Waste

The most important thing to note is that the routine collection of waste and recycling materials from the kerbside will continue as normal for all residents on 1st April and thereafter. As service standardisation and efficiency initiatives are implemented, there will of course be changes to these services which will, in some instances, just affect certain groups of Cheshire East residents, e.g. just those in the old Crewe District. However, there will be some changes that necessarily affect all residents equally. The issue of whether to collect residual non-recyclable waste on a weekly or fortnightly base will need to be determined, since both patterns of service exist in what will become the Cheshire East area.

Some waste management issues such as the waste treatment facility procurement require a pan-Cheshire approach and hence funding will remain in place for a 'Joint Waste' team in partnership with Cheshire West and Chester Council.

Planning and Policy

Given the economic downturn, Planning & Policy functions will see great strain, operating a first class service whilst progressing through the transformation to the new organisation. Processes have been implemented to identify smarter working operations internally; however, greater stakeholder consultation is required in order to better equip the service to improve in the near future.

Safer & Stronger Communities

There will be a new Safer and Stronger Communities Service which will provide the opportunity to restructure regulatory services (Environmental Health, Trading Standards and Licensing) in order to generate efficiency savings by avoiding

duplication and improving work processes. In addition, by combining Environmental Health and Trading Standards, the Council will strive to deliver improved service outcomes to reduce the burden on business and to support business in the economic downturn. A combined service will be able to develop a co-ordinated approach to inspections and to provide a wide spectrum of advice for businesses and consumers.

Economic Development

The larger scale and greater significance of the new Council's role in the economic agenda compared to the predecessor authorities has become evident and this will challenge current budgetary assumptions. Cheshire East Council will be a major player at regional and sub-regional level, needing to influence allocation and targeting of major programmes and projects where resources arise from national and regional bodies. It needs the capacity to do this effectively if the Cheshire East area is to capture these and thereby benefit from them.

The increasing range of both physical projects and intervention programmes available to support local economies necessitates a clear and well-evidenced approach. This will require a significantly enhanced capability than currently exists, or is budgeted for, if Cheshire East Council is to play the economic role expected of it.

Cheshire East Council will inherit all the major transport projects promoted by the County Council together with regionally recognised and supported programmes such as those that together comprise Crewe Gateway. It will need the technical and resource capacity to build on these foundations and to turn these large scale, important plans into effective delivery.

The national, regional and local economic conditions and situation have deteriorated sharply since the assumptions underpinning previous budgetary assumptions. The ability of the new Council to respond effectively to current economic circumstances by supporting its communities and businesses will be tested. Previously successful areas are under strain and those which were underperforming are weakening further.

Cheshire East Council cannot address this on its own but needs to take a leadership role and work in concert with a range of partner and stakeholder bodies and businesses.

Visitor Economy

The Visitor Economy is very significant for the Cheshire East area. It is currently influenced or delivered by councils and others acting through a range of partnerships and organisations with greater or lesser degree of coordination. For example, Tatton Park is a ring-fenced trading account delivering services under the terms of a lease from the National Trust. Funding is provided to Visit Cheshire and Chester to jointly deliver some services.

Cheshire East Council needs to be in a position to give leadership, to rationalise effort and yet build greater synergy and integration across the diverse components of the visitor economy. Importantly, it needs to gain better understanding at regional and local level of the economic significance of this sector, especially as much is based on small enterprises who may be vulnerable in the downturn. Overall, the

visitor economy offers considerable economic potential for the area if its energies and attributes can be better captured and well-targeted, often low-cost, investments made.

Other Key Proposals

Waste

In order to drive out efficiencies from waste collection activities it is important to bench-mark the efficiency of current systems. To this end, a 'market-testing' exercise will take place in 2009-10 where private contractors are invited to bid to deliver the waste and recycling services that are currently delivered by in-house teams. Only in the event that substantial savings are available from contracting out the services would such a decision be taken.

Planning and Policy

Areas of investment will be kept to a minimum where possible utilising the services and systems we have in place, moving forward in a constructive and concise way. In areas of Planning and Policy, to achieve and reduce likely impacts of income levels dropping, we will be combining service operations sooner rather than later in order to realise economies of scale, together with potential savings.

Safer and Stronger Communities

The reorganisation of the three existing warden schemes into one uniformed enforcement service will support a cleaner, safer and greener Cheshire East. A review of the three existing CCTV arrangements will present scope for future efficiencies, a more targeted prevention and detection service and possible synergies with building security, the warden service and potential income generation.

Consultation Issues

Waste

Changes to the way waste and recycling issues are managed are some of the few changes that a council can make that affects nearly all of its residents. Consultation on these changes needs to be part of a separate dedicated exercise. Throughout 2009-10 Members and residents alike will be given an opportunity to express their views on the options for change.

Economic Development

Issues for Economic Development include:

- Should the Economic Development budget reduction be reviewed in the light of current economic conditions and changes in circumstances since the original bid?
- What services and activities should be given priority?
- How might the delivery of some other Economic Development services by partners be facilitated by the Cheshire East Authority?

Visitor Economy

Issues for Visitor Economy include:

- What services should be offered if budget savings have to be made?
- How could Cheshire East facilitate the delivery of visitor economy services by other partners and organisations?

PERFORMANCE AND CAPACITY

Consultation Issues

The third Directorate is called Performance and Capacity and includes services such as Property, Human Resources, Legal and Finance.

Budget proposals are being finalised to deliver business case savings of £10m, resulting in a significant staff reduction. This will be achieved by rationalising existing staffing resources and ensuring that new structures are lean, efficient and fit for purpose.

Additional savings over and above the business case of £2.7m are also included in the budget proposals.

These savings will be achieved by:

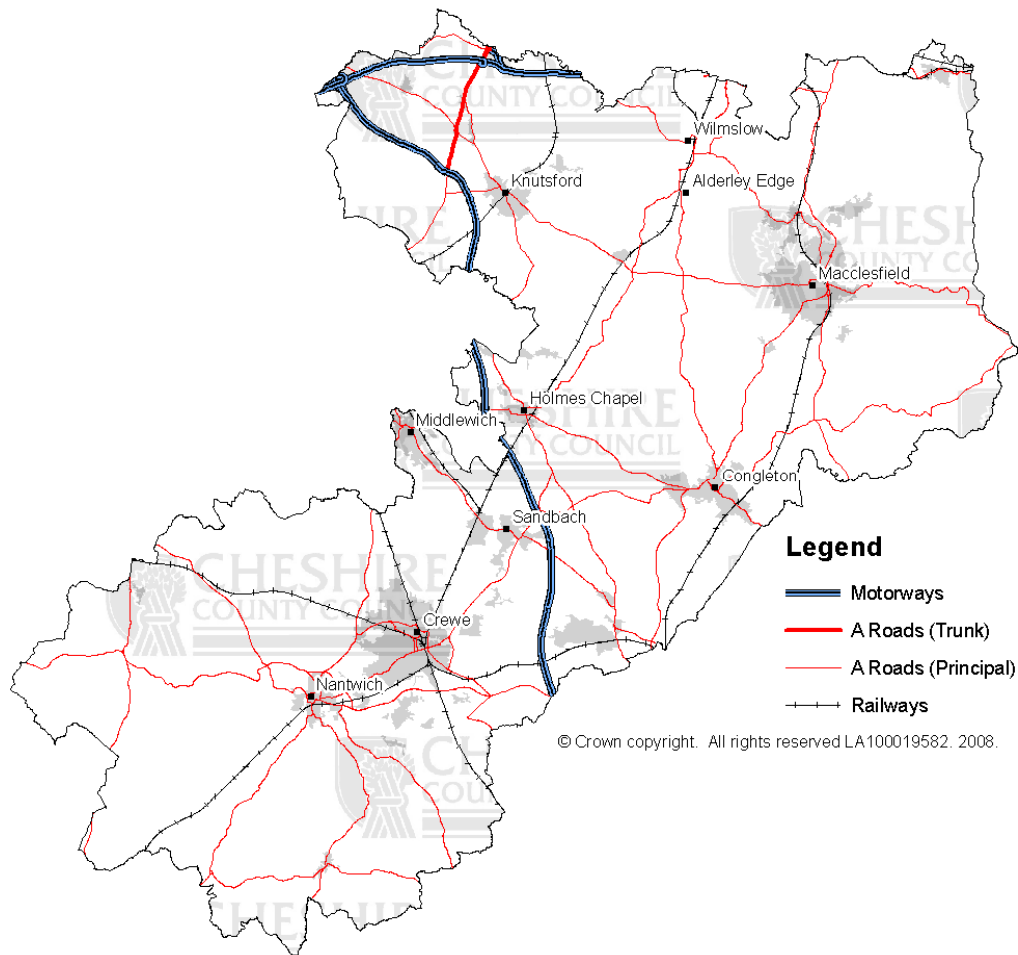
- Smarter procurement practice, through the utilisation of modern procurement methods including e-procurement and Framework Agreements.
- Rationalisation and disposal of surplus assets.
- Increased energy efficiency.
- Establishing a single ICT support system to enable full utilisation of technology.
- Aggregating current systems to have the same customer, financial and planning systems to save on direct support payments.
- Providing transactional services on a shared authority basis.
- Utilisation of mobile technologies and home working to save on accommodation costs.
- Amalgamation of legal and financial services to improve the standard and consistency of support to front line services and partnerships.

Conclusion

Thank you for taking part in the Budget Consultation process for Cheshire East Council.

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Appendix A: Cheshire East Profile



TOPICS COVERED

- Population
- Economic Trends
- Leisure & Recreation
- Health
- Education
- Environment
- Social Inclusion & Regeneration
- Community Safety

CHESHIRE EAST IN CONTEXT

Cheshire East has a population of 360,700 and an area of 116,638 hectares. In addition to 'Cheshire West and Chester' on the west, Cheshire East is bounded by the Manchester conurbation to the north and east, and Stoke-on Trent to the south.

It contains the major towns of Crewe, Macclesfield, Congleton and the commuter town of Wilmslow (population above 20,000). There are also a number of other significant centres of population (over 10,000) in Sandbach, Poynton, Nantwich, Middlewich, Knutsford and Alsager.

In the 2008 Cheshire Community Survey the majority of Cheshire East residents (93%) liked living in their home area. When respondents were asked specifically about their quality of life (from the 2005 Quality of Life Survey) 52% described it as very good and a further 44% described it as quite good. 1% said it was very or quite poor.

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POPULATION

Size & Distribution

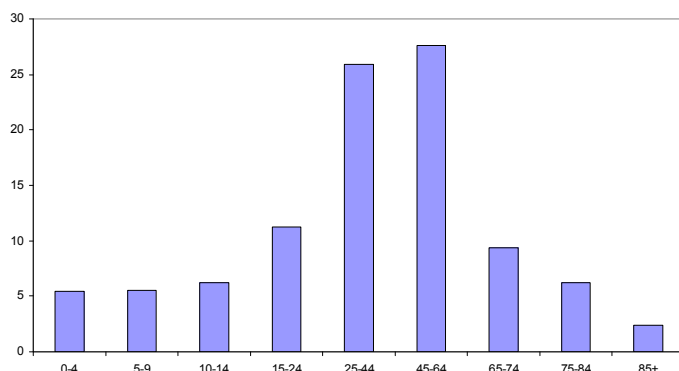
- Cheshire East has a population of 360,700 (2007 mid-year estimate)
- This is 5% of the North West's population and 0.7% of England & Wales' population

Density

- The area of Cheshire East is 116,638 ha
- The population density is 3.09 people per hectare.

Age Distribution

**% of Age Groups Distribution 2007 Mid Year Estimate
Cheshire East**



- The age structure of the Cheshire East is slightly older than that of England & Wales
- 5% of Cheshire East's population is aged under 5 and 12% are aged 5 to 14
- 18% are aged 65 or more
- There will be around 5% fewer children living in Cheshire East by 2026 than there were in 2006
- The number of people aged 85+ will double between 2006 and 2026.

Family Structure

- In 2001, the average household size was 2.36

- 25% of Cheshire East households were all pensioner households (North West 24%, England & Wales 24%), of these 21,118 (57%) were pensioners living alone.

Households

- In 2001, there were 147,144 households with residents in Cheshire East
- 99% of people lived in households (England & Wales 98%) and 1% in communal establishments
- Household composition generally reflected the England & Wales patterns
- 29% of households had dependent children (North West 30%, England & Wales 29%)
- 28% of households were people living alone (North West 31%, England & Wales 30%).

Housing

- In 2006 the average house price was £207,700 compared to the North West average £155,000
- In 2006 there were 160,700 dwellings in Cheshire East with the highest % in council tax band C (20%).

Ethnic Background and Religion

- According to the 2005 ethnicity estimates, 3% of Cheshire East's population was 'non-white'.
- In 2001 80% of the Cheshire East population said they were Christian compared with 78% in the North West and 72% in England & Wales
- 96% were born in the United Kingdom.

Socio-Economic Group

- In 2001, 32% of Cheshire East's workers were managerial and professional workers (social class AB), compared with 18% in the North West and 21% in England & Wales
- 19% of Cheshire workers were semi-skilled and unskilled manual (social class

D), compared with 19% in the North West and 16% in England & Wales.

Sources: Census of Population 2001
ONS Population & ethnicity estimates
Cheshire CC Population Estimates
Land Registry
Valuation Office Agency

ECONOMIC TRENDS

Employment

- Total number of employees in Cheshire East was 167,600 in 2007
- 17% of employees worked in manufacturing in 2007, a higher proportion than for Great Britain, 11%
- 77% were employed in services, a slightly lower proportion than for Great Britain, 83%
- Agricultural employment stood at 3,285 in 2007
- The average household income was £34,000 in 2008.
- Cheshire East has employment concentrations in agriculture (LQ¹ of 1.7), chemicals and pharmaceuticals (6.7), rubber and plastic products (1.7), miscellaneous non-metallic mineral products (1.9) and computing services (1.5).

Qualifications

The 2001 Census found:

- 24% of residents aged 16-74 in Cheshire East had qualifications at degree level or higher compared with 17% in the North West and 20% in England & Wales
- 25% of residents aged 16-74 had no qualifications at all (32% in the North West, 29% in England & Wales)
- 37% of Cheshire East residents had qualifications less than 2 'A-level' equivalents (36% in the North West and England & Wales) and 32% had 2 'A-level'

equivalents or more (25% in the North West and 28% in England & Wales).

Unemployment

- Unemployment in November 2008 was at 2.2% (residence rate), compared with a Great Britain rate of 2.8%, and North West rate of 3.2%.

Businesses

- There were 26,260 VAT registered businesses in 2008.

Office for National Statistics (NOMIS)
Annual Survey of Hours and Earnings – Residence Based, 2008
Annual Business Enquiry 2007
Agricultural Census 2007

¹ Location quotients (LQs)¹ can be used to show whether a particular activity is more concentrated in a particular geographical area than it is nationally.

LEISURE & RECREATION

Visits to Cheshire East Attractions

There are a number of historic properties, gardens, museums, art galleries and other attractions across Cheshire East.

In 2006,

- 830,800 people visited Tatton Country Park, Macclesfield
- 63,947 people visited Jodrell Bank
- 104,666 people visited Quarry Bank Mill

In the 2006 Cheshire Community survey 76% of residents used the internet. 68% had broadband.

Sources: North West Tourist Board
Tatton Park, Cheshire CC

HEALTH

General Health

Limiting long-term illness (LLTI) is a self reported measure of someone's health, asking if a person has 'any long-term illness, health problem or disability which limited work or daily activities', based on the 2001 Census:

- 17% of people in Cheshire East had a limiting long-term illness compared with 21% of people in the North West and 18% in England & Wales.

In the 2006 Cheshire Community Survey

- 17% said they smoked
- 85% drank alcohol, with 8% drinking more than 22 units a week.

Disability Living Allowance

- At May 2008, 4% of the total population were claiming disability living allowance, compared to 7% for the North West
- Of these claimants 25% were due to mental health causes compared to 23% for the North West.

Births and Deaths

- In 2007 the crude birth rate (births per 1,000 population) was 11 compared with 13 for the North West and 13 for England & Wales
- The crude death rate (deaths per 1,000 population) was 10 compared to 10 for the North West and 9 for England & Wales.

Sources: Census of Population 2001

EDUCATION

GCSE results

- In 2006 63% of GCSE candidates achieved 5 or more GCSE's at grade A*-C

- 86% of pupils achieved level 4 or above in key stage 2 English with 82% for Key Stage 2 Maths
- 77% of pupils achieved level 5 or above in key stage 3 English with 82% for Key Stage 3 Maths.

Source: Research & Statistics, Education Department, Cheshire CC

ENVIRONMENT

Car Availability

- Car availability in 2001 (from the 2001 Census) was high with 82% of households owning at least one car (England & Wales 73% car ownership)
- 40% of Cheshire East households owned 2 or more cars (England & Wales 29%).

Travel to Work

- The car was the dominant means of travel to work by Cheshire East residents (72% drivers or passengers in the 2001 Census)
- Other means of travel to work were: foot (9%), bus (2%), and train (2%)
- At the 2001 Census the most popular destinations outside Cheshire East to work were Manchester and Cheshire West & Chester
- The most popular origins for people travelling into Cheshire East were Cheshire West & Chester and Stockport.

CO₂ emissions

- Within Cheshire East Domestic CO₂ emissions per capita was 2.66 tonnes (UK = 2.5 tonnes).

Climate Change

- In the 2007 Cheshire Omnibus Survey:
- 87% said that recycling was important to combat climate change
- 85% also said waste minimisation was important to combat climate change.

Sources: Census of Population 2001
Defra 2007

SOCIAL INCLUSION & REGENERATION



Index of Multiple Deprivation

The Index of Multiple Deprivation (IMD) is a national deprivation index and is used to determine policy and funding, and feeds into initiatives such as Local Area Agreements. The IMD is based on 7 domains:

- Income
- Employment
- Health Deprivation and Disability
- Education, Skills and Training
- Barriers to Housing and Services
- Crime
- Living Environment

The data mainly refers to 2005 and it is based at lower layer super output area geography. Cheshire East has 231 lower layer super output areas.

- The above map shows the 14 areas that fall within the top 20% most deprived areas in England

- 6% of Cheshire East's population live in these deprived areas (2006 estimates)
- Overall St BarnabasL3 ranked 1 out of 231 lower layer super output areas in Cheshire East nationally making it the most deprived Cheshire East LLSOA.

Sources: Index of Multiple Deprivation 2007

Community Involvement / Cohesion

In the 2008 Cheshire Community Survey:

- 55% agreed that they can influence decisions in their local area
- They felt they should most be able to influence 'decisions affecting their local area' (33%), 'planning issues' (28%) and 'transport issues' (21%).

COMMUNITY SAFETY

Fires attended

- In 2005 there were 2 fires attended per 1,000 population, which is similar to the North West (4) and England & Wales (3)

Crime

- In 2007-08 there were 24,346 recorded crimes in Cheshire East, this is 67 per 1,000 population
- There were 1,178 crimes recorded as burglary (dwelling), this is 3 per 1,000 population.
- The Quality of Life Survey 2005 highlighted that 'reducing crime and disorder is respondents' top priority for improving their quality of life
- Around two-thirds (61%) felt worried or very worried about being a victim of crime

Sources:

Management Information Unit, Cheshire Constabulary.
Communities & Local Government, Research and Statistics Division

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Performance and Capacity Advisory Panel

Wednesday 21st January 2009

6. Shared Services Update

Progress

- Following a meeting of the Leaders and Chief Executives of Cheshire East and Cheshire West and Chester it was agreed to set up a Joint Programme Development Team, to be jointly chaired by the 151 Officers. The purpose will be to ensure all the shared services are designed and developed to both councils satisfaction during the run up to April 09. A list of all the current proposed shared services are given in the appendix below.
- The Cheshire East Shared Services Project Team has now completed a draft Cheshire East Statement of Requirements for Back Office Shared Services for consultation with client departments, staff and unions.
- It is still proposed that a Joint Committee, comprising equal numbers of Elected Members from both Councils is set up for April 09, to govern all shared services, including the Back Office. To operate in a similar manner to the Building Control Committee the three District Councils have had in operation for the last couple of years.
- Since the last P&C Advisory Panel briefing, meetings have taken place on Back Office Shared Services with Managers at Crewe and staff affected in Congleton and a briefing provided for all staff via Talking East.
- Business Support Services (Administration, performance measurement, policy support etc.) within current County Council Departments and not within the scope of Shared Back Office Services (ICT, transactional finance, procure to pay and transactional HR) will continue to be part of departmental structures at 1 April 09 and reviewed at a later date.

Next steps

1. Joint Programme Development Team to now form and manage implementation of all shared services. Jointly appoint a Project Manager. Commence recruitment of a Manager for the Back Office Shared Services Unit.
2. Finalise governance agreement between the two councils
3. Map in more detail service delivery arrangements, including the location of all the seconded staff from both Cheshire East and Cheshire West and Chester to the Back Office Shared Service Unit.
4. Work up detailed service level agreements for all the services based on the Statement of Requirements.
5. Continue to engage staff in the developments and service design.

Appendix – List of currently proposed Shared Services

(i) TRANSITIONAL ARRANGEMENTS	(ii) CHESHIRE-WIDE SERVICES
Inclusion and education (including School Improvement, Extended Schools, Healthy Schools and Parent Partnership)	Shared Back Office
Autism Support	Pensions
Service for the Sensory Impaired	County Farms
Urban Traffic Control Unit	Civil Protection / Emergency Planning
Highways and Geotechnical Laboratory Service	Occupational Health
Transport Co-ordination	Archives
Childcare Strategy	Youth Offending Team*
Children Centre's Development Programme	Libraries – Specialist and Support Services
School Admissions (and the Appeals Service)	Emergency Out of Hours Service
School Transport Policy	International Unit
Student Finance	Waste Disposal Contracts and PFI
Support Services for Schools	Extra Care Housing
Outdoor Education Service	Pooled Budgets
Archaeological Service	Rural Touring Network
DAAT	
Commissioned Community Equipment Service	
Learning Resource Network	
Cheshire Domestic Abuse Partnership	

The following services have been identified by officers as appropriate for a joint arrangement in the short term. (The proposals have not been formally approved by Members.)

PARIS
ASW Partnership
NVQ Assessment Centre
Highways and Vehicle Term Maintenance Contract
Mineral and Waste planning
Cheshire & Warrington Partnership
Weaver Valley Enterprise
Customer Service – Contact Centre - Middlewich



Advisory Panel - Performance and Capacity

Wednesday 21st January 2009 – Crewe Municipal Buildings

7. Flexible and Mobile working Update

Flexible and Mobile working is about creating a modernised approach to work which will help to enable an efficient and effective new authority; an authority that is organised around the needs of customers and employees rather than the constraints of building design, fixed hours and geographic location.

The main benefits are around reducing office accommodation costs, reducing travelling time and costs, reducing carbon emissions, improved service productivity and more motivated staff. There are costs to be incurred to make this happen, particularly investment in adaptation of offices, ICT capital and revenue, management and staff training and the leadership and project management costs of change.

Flexible and Mobile working has been established as a corporate programme of projects and has joined together three enabling services (Property, HR & ICT) to create the Where, When & How approach to service delivery. The programme of change will take 4-5 years to complete and at all times we will be conscious of the need to strike the balance between organisational drivers and employee drivers. This is reflected in the diagram overleaf.

Progress

A corporate programme of project has been established, led by Ian Simpson, with Managers from Property, ICT, HR and front line Services all involved. A Union Representative, Nick Green has now also joined the team. The project has been formally approved by the Performance and Capacity Board and Cheshire East Management Team and has similar support from the Cabinet. Monthly highlight reports are prepared.

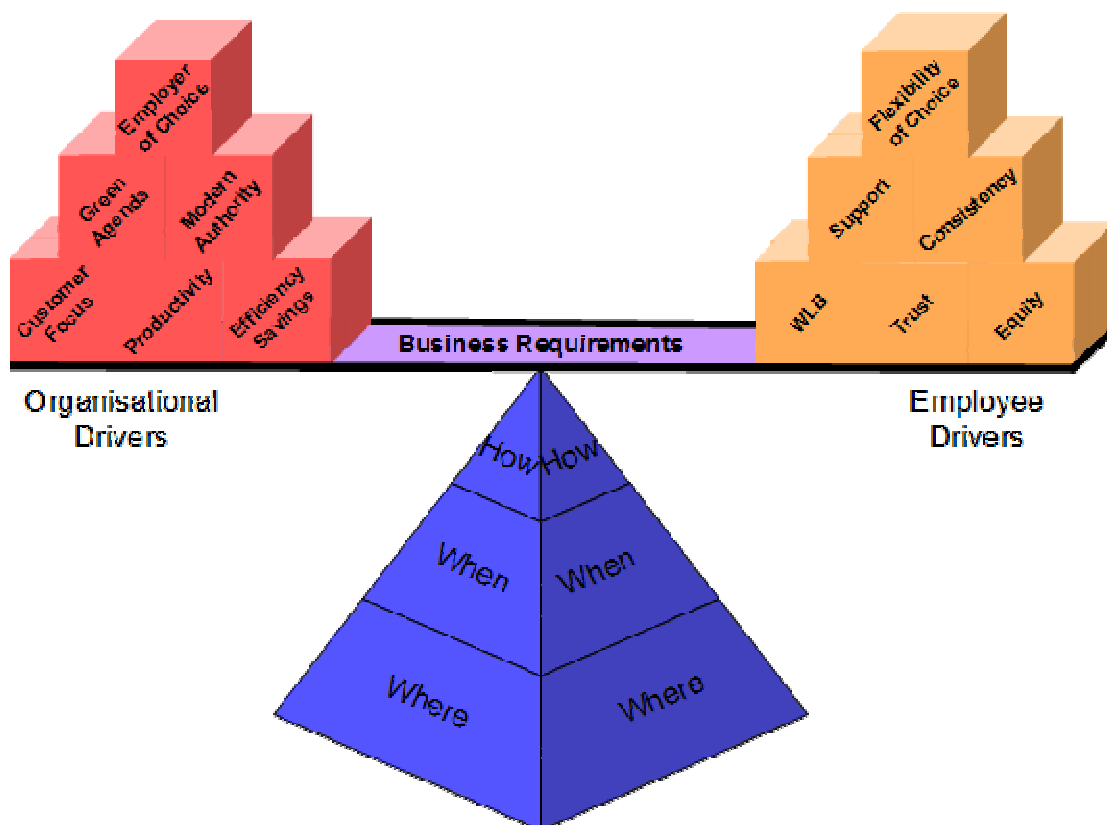
The team are starting to put the corporate building blocks into place. HR policies for the new authority have been drafted and are currently being consulted on. They were presented to the Staffing Committee in January.

A draft Office Accommodation Strategy has also been prepared. The audit of existing offices is now complete and concluded that no permanent new offices will be required for Cheshire East, but temporary accommodation (Probably in Crewe) will be required for 4-5 years, whilst we move and aggregate services. Refurbishment of available accommodation at Delamere House will take place and be modelled on good flexible and mobile working requirements.

Next steps

- We are scoping a home working pilot with Customer Access staff
- Case studies of flexible and mobile working already in operation across the 4 authorities have been commissioned and a show case event will be held by end of February
- Training events for managers whose teams will operate very differently in the future are being run in February and March.
- Several ICT research and auditing pieces of work will be completed in February, providing us with an audit of what technology the 4 councils have, how we combine 4 ICT policies into 1, how we can better exploit existing mobile devices, how we enhance the phone systems, how we will print to the nearest network printer from any corporate location and how to standardise Wifi configuration.
- Services are now being asked for their property and location requirements for the medium to long term and a project plan will be developed for April that sets out where our Cheshire East services will be based and how we migrate staff over the next 4-5 years. As services aggregate and/or relocate opportunity will be taken to maximise flexible and mobile working. In each case, managers and their teams will be supported in managing the change, and achieving both the organisational drivers and employee drivers illustrated below.

Flexible & Mobile Working “Striking the Balance”



Contact: Ian Simpson- Westfields, Sandbach. Tel. 01270 529608

21 January 2009

**Task Group Update for Performance & Capacity Advisory Panel
Partnerships Workstream – Member Working Group**

1 Since the last meeting of the Cheshire East Performance and Capacity Advisory Panel held on 11 December, no meetings of the Member Working Group associated with the Partnerships Workstream have been held though work is in hand to reconvene this group by the end January / early February.

2 Recent activity associated with this workstream includes:

- **16 December** - Cheshire East Member Workshop to discuss area and neighbourhood working proposals;
- **19 December** - Cheshire East Local Strategic Partnership (LSP) Development Group meeting to discuss recommended approach for the development of the wider Cheshire East LSP Framework. This working group was formed as a result of the key stakeholder event held on 27 November and included representatives from Cheshire Fire & Rescue Service, Cheshire Constabulary, Central & Eastern Cheshire PCT, Age Concern, Cheshire Community Action, South Cheshire Chamber of Commerce, Crewe & Nantwich Voluntary Action and Plus Dane Housing; and
- **8 January** – Cheshire East Key Partners Lunch to receive feedback from 19 December and agree next steps. The meeting involved chief officer representation from Cheshire East Council, Cheshire Fire & Rescue Service, Cheshire Constabulary and Central & Eastern Cheshire PCT and was chaired by Cllr Wesley Fitzgerald as Leader of the Council. Cllr David Brown as Portfolio Holder for Performance and Capacity was also in attendance. It was agreed that this group form the core membership of a new Cheshire East LSP Executive Board with additional representation from the private sector (to be drawn from the current Chambers of Commerce) and the third sector (to be drawn from the new Cheshire East Congress). It was also agreed that Erika Wenzel approach the social housing and training / skills sectors to gauge interest in representation on the Board. It is hoped to hold the first meeting of the newly constituted LSP Executive Board in early February to ensure consideration of key partnership issues (including the establishment of Local Area Partnerships, the review / refresh of the Cheshire Local Area Agreement and preparation for the new Sustainable Community Strategy) prior to endorsement by the Cabinet on 17 February and Council on 24 February.

3 Imminent activity to support the ongoing development of area / neighbourhood working proposals and the new LSP framework to feed into the first meeting of the LSP Executive Board includes:

- **20, 27 and 28 January** – engagement / development workshops with Local Councils to be held in Congleton, Reaseheath and Knutsford; and
- **26 January** – engagement / development workshop with other partners to be held at Tatton Park, Knutsford.

4 In addition to activity highlighted above, work has also started on the review and refresh of the Cheshire Local Area Agreement which will support the future severance of the Agreement. This process is particularly focusing on areas of 'unfinished business' (i.e. establishment of baselines and disaggregated targets across a number of designated indicators) and potential changes in priorities. Final or near final refreshed and reviewed Agreements are expected to be with Government Office for the North West by 2 March with final adopted LAAs submitted by 26 March.

5 Initial scoping has also started on work within the agreed neighbourhood pilot areas – Knutsford / Bucklow; Poynton / Disley / Adlington; Congleton / Goostrey; Crewe – and this will be considered at the next Member Working Group with a view to detailed work starting in February.

Contact:

Alison Armstrong

Email: alison.armstrong@cheshire.gov.uk

Tel: 01244 973336

Performance & Capacity (P&C) Advisory Panel Meeting 21st January 2008

Update on the work of the Customer Access Task Group

The Customer Access Task Group has met three times and has provided valuable input to shape the developing customer access strategy. The members have been particularly useful in voicing the needs of their local communities and two of the members have contact centre and business resilience experience. Cllr David Brown P&C Portfolio Holder has been a regular attendee and contributor at the meetings.

The first meeting on the evening of the 14th August 2008 was principally scene setting concerning the various customer channels, their usage and cost, which generated a lively and productive debate about the future direction of customer access.

The second meeting was on the afternoon of the 1st October at the Middlewich contact centre. Presentations were given regarding the setting evolution of Dalton House and the potential to use this facility as the principal contact centre for Cheshire East. An opportunity was taken to provide members with a tour of the contact centre. The future telephone numbering strategy was also discussed and a way forward agreed.

The third meeting on the afternoon of the 12th November was to firm up the Draft Customer Access Strategy and particularly the Guiding Principles, Objectives and Visioning Report approved by Cabinet on the 2nd December 2008. The proposed channel migration targets and the performance framework were also discussed, as was the need to gain a deeper insight into the needs of customers using customer segmentation tools like Mosaic

The Group has not yet held its fourth meeting, largely due to diary pressures of attendees; however, a meeting has been scheduled for the 4th February. Members will recall that at the last meeting of the P&C Advisory Panel a request was made for the Customer Access Task Group to continue to meet. The Group has been very useful to date and has shown significant interest and commitment in developing efficient and effective customer services for Cheshire East. As Cheshire East moves through to implementation and beyond there will be many instances, for example face-to-face rationalisation and partnership working, where it will be useful to consult with such a knowledgeable panel and it is hoped that they will remain for that purpose.

Issues to be discussed at the next meeting on the 4th February include:

Customer Insight – the use of Mosaic socio demographic data to target services more accurately.

Feedback from the Telephone Self-Delivery Pilot at Macclesfield

Face to face opportunities in rural areas - working with the Cheshire Rural Retail Partnership

Service Levels

A Copy of the Customer Access Highlight Report for the period up to the end of December 08 is attached

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16th January 2009