

Cabinet Agenda

Date: Tuesday, 1st December, 2009
Time: 2.00 pm
Venue: Committee Suite 1,2 & 3, Westfields, Middlewich Road, Sandbach CW11 1HZ

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 for Absence**

2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any personal and/or prejudicial interests in any item on the agenda

3. **Public Speaking Time/Open Session**

In accordance with Procedure Rules Nos.11 and 35 a total period of 10 minutes is allocated for members of the public to address the Committee on any matter relevant to the work of the Committee.

Individual members of the public may speak for up to 5 minutes but the Chairman will decide how the period of time allocated for public speaking will be apportioned where there are a number of speakers.

In order for an informed answer to be given, where a member of the public wishes to ask a question of a Cabinet Member three clear working days notice must be given and the question must be submitted in writing. It is not required to give notice of the intention to make use of public speaking provision but, as a matter of courtesy, a period of 24 hours notice is encouraged.

4. **Minutes of Previous meeting** (Pages 1 - 6)

To approve the minutes of the meeting held on 10 November 2009.

Please contact Cherry Foreman on 01270 529736
E-Mail: cherry.foreman@cheshireeast.gov.uk with any apologies or requests for further information or to give notice of a question to be asked by a member of the public

5. **Key Decision CE09/10-27 Procurement of Customer Relationship Management Solution** (Pages 7 - 12)

To approve the procurement of software, hardware and professional services for this system.

6. **Key Decision CE09/10-36 Establishment of Joint Extra Care Housing Management Board** (Pages 13 - 26)

To receive an update on Extra Care Housing, to agree the establishment of a Joint Extra Care Housing Management Board, and the appointment of Members to it.

7. **Exclusion of the Press and Public**

The reports relating to the remaining items on the agenda have been withheld from public circulation and deposit pursuant to Section 100(B)(2) of the Local Government Act 1972 on the grounds that the matters may be determined with the press and public excluded.

The Committee may decide that the press and public be excluded from the meeting during consideration of the following items pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1, 2 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

PART 2 – MATTERS TO BE CONSIDERED WITHOUT THE PUBLIC AND PRESS PRESENT

8. **Procurement Audit - Crewe** (Pages 27 - 42)

To consider the report of the Borough Solicitor.

9. **Managing Workforce Change** (Pages 43 - 48)

To consider the report of the Head of Human Resources and Organisational Development.

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Cabinet**
held on Tuesday, 10th November, 2009 at Council Chamber, Municipal
Buildings, Earle Street, Crewe CW1 2BJ

PRESENT

Councillor W Fitzgerald (Chairman)
Councillor B Silvester (Vice-Chairman)

Councillors R Domleo, D Brickhill, D Brown, P Findlow, F Keegan, A Knowles,
J Macrae and P Mason

Councillors in attendance:

Rachel Bailey, Rhoda Bailey, P Edwards, R Fletcher, D Flude, L Gilbert,
D Hough, O Hunter, S Jones, A Kolker, R Menlove, A Moran, B Moran,
J Narraway, L Smetham, A Thwaite, J Weatherill and R Westwood.

Officers in attendance:

Borough Solicitor, Borough Treasurer and Head of Assets, Head of
Organisational Development, Head of Policy and Performance, Strategic
Director People, Strategic Director Places.

134 APOLOGIES FOR ABSENCE

There were no apologies for absence.

135 DECLARATIONS OF INTEREST

There were no declarations of interest.

136 PUBLIC SPEAKING TIME/OPEN SESSION

Sam Corcoran, Will Goodall (on behalf of Sandbach Town Council) and
Ian Knowlson, having given the required notice under the Constitution,
attended the meeting and raised questions in connection with the
Proposed Off Street Parking Places Order – Car Parking Control and
Charging in the area of the former Borough of Congleton. The Cabinet
agreed that the period of time allocated for public speaking should be
extended to accommodate all the questioners.

Councillor Brickhill, as the relevant Portfolio Holder, responded in each
case.

*N.B: Details of the questions and responses are available from Democratic
Services.*

137 **MINUTES OF PREVIOUS MEETING**

RESOLVED

That the minutes of the meeting held on 3 November 2009 be approved as a correct record.

138 **KEY DECISION CE09/10-10 PROPOSED OFF STREET PARKING PLACES ORDER (TO INTRODUCE CAR PARKING CONTROL AND CHARGING IN THE AREA OF THE FORMER BOROUGH OF CONGLETON) - CONSIDERATION OF OUTCOME OF STATUTORY CONSULTATION PERIODS**

Further consideration was given to the proposed Off Street Parking Places Order in the light of representations made during the consultation process.

At its meeting on 8 September Cabinet had resolved to consult on two modifications in relation to specific car parks in Holmes Chapel and Alsager and, subject to consultation responses in relation to these modifications, to authorise the Borough Solicitor to make the Order as modified. The report included a summary of the main grounds of objection drawn from all the responses, including those received during the original consultation period, information on how the aims of the parking strategy were to be achieved, the environmental impact of the proposals and on permit schemes.

RESOLVED

For the reasons set out in the report: -

1. That approval be given to
 - (a) a tariff for Parkway and London Road car parks, Holmes Chapel of Monday to Saturday 8.00 am to 6.00 pm up to 2 hours maximum stay: 10p; Sundays – no charge; and
 - (b) the removal of the provision for a free first thirty minutes parking at Fairview car park, Alsager.
2. That no further approval be given any further modifications to the Order arising as a result of any of the consultation responses received throughout the two consultation periods.
3. That, having taken into consideration all of the legal implications and information within the report, the Order be approved on the basis set out within Appendix A of the report, subject to:
 - (i) any modifications approved under 1 above,
 - (ii) the Borough Solicitor taking such action as he deems necessary to remove any legal impediments affecting the car parks within the draft order, and
 - (iii) the Borough Solicitor providing the necessary statutory public notice of the intention to appropriate to car parking

purposes the list of car parks within Appendix A of the report insofar as it is land owned by the Council;
and in the event of there being no objections to any further modifications and no objections received to the public notice regarding the appropriation of the land, to authorise the appropriation of the said land to car parking purposes and to authorise the Borough Solicitor to make the Cheshire East Borough Council (Off Street Parking Places)(Congleton Area) Order 2009 PROVIDED THAT the Order shall not be made in respect of the car park(s) or parts thereof (a) referred to at 9.1 of the report, (b) any other car park within the Order if the legal impediments affecting the said car park(s) remain unresolved.

139 **KEY DECISION CE09/10-30 RESIDENTS' PARKING POLICY**

During discussion of this item Councillor John Narraway declared a personal interest by virtue of owning property in an area that could be affected by the proposals.

Consideration was given to a proposed Resident's Parking Policy for Cheshire East. The policy sought to address the parking needs of residents in areas affected by non residential parking or other parking restrictions, to provide a holistic approach to parking management and a robust policy to ensure the Authority was able to implement schemes fairly across the Borough.

RESOLVED

For the reasons set out in the report: -

That the Residents' Parking Policy and Guidelines be adopted.

140 **KEY DECISION CE09/10-36 SITES SURPLUS TO CHILDREN & FAMILIES REQUIREMENTS**

Consideration was given to declaring a number of schools sites surplus to educational requirements. The surplus sites had arisen as a result of the Transforming Learning Communities review and no alternative use had been identified within Children and Families Services.

RESOLVED

For the reasons set out in the report: -

1. That the site of the former Oaklands Infant School on the Dean Oaks Primary School site, Wilmslow be declared surplus to educational requirements.
2. That the site of Church Lawton Primary School, Alsager be declared surplus to educational requirements.

3. That the sites of the former Victoria High School (Ludford, Newdigate, Meredith and Oakley), now part of Sir William Stanier Community High School, be declared surplus to educational requirements.
4. That the site of the former Broad Street Infant School, Crewe be declared surplus to educational requirements.

141 **FINANCIAL UPDATE – QUARTER 2 (MID YEAR REVIEW)**

Consideration was given to the Council's mid year financial position in 2009 – 2010. The report focussed on areas of high financial risk to the Council and included updates on treasury management, the capital programme, in-year collection rates for council tax and business rates, and an update on the reserves strategy.

RESOLVED

For the reasons set out in the report: -

1. That the following points be noted: -
 - the pressures on the Council's revenue budget in the second quarter of 2009-10, detailed in Section 11 and Appendix 1 of the report and the proposed remedial action;
 - the positions on Adults Transformation Funding and Learning Disability Pooled Budget detailed in Section 11.2 of the report;
 - the Treasury Management update detailed in Section 12 of the report;
 - the Council's in-year collection rates for Council Tax and Business Rates, detailed in Section 13 of the report;
 - progress to date on delivering the 2009-10 capital programme, detailed in Section 14 and Appendix 3 of the report;
 - Delegated Decisions approved by Directors, as shown in Appendix 2b of the report;
 - Delegated Decisions approved by Directors in consultation with the relevant Portfolio Holder and the Portfolio Holder for Resources for Supplementary Capital Estimates (SCE) and virement requests over £100,000 and up to and including £500,000 as shown in Appendix 2a of the report;
 - the updated Reserves position detailed in Section 15 and Appendix 4 of the report.
2. That approval be given to the following: -
 - a virement devolving £900,000 from the Dedicated Schools Grant uncommitted funds of £1.528m, allocating £85,000 to DSG centrally supported activity, retaining £543,000 within a central contingency, as set out in Section 11.2 of the report;

- a Supplementary Revenue Estimate of £84,500 for preparatory works on the Tatton Park Biennial funded by external contributions as set out in Section 11.3 of the report;
 - a Supplementary Revenue Estimate of £170,000 for a Housing Stock Condition Survey funded from the LPSA Target 11 Reward Grant, as set out in Section 11.3 of the report;
 - the revised in-year capital budget for 2009-10 as set out in Section 14 of the report, including;
 - Supplementary Capital Estimates (SCE)/Virements over £500,000 and up to and including £1.0m, as shown in Appendix 2a of the report;
 - Reductions in approved budgets, as shown in Appendix 2c of the report.
3. That Council be recommended to approve the following SCE and Virement requests over £1.0m, those which require funding from later years and those funded from reserves, as detailed in Appendix 2a of the report:-
- | | |
|--|------------|
| • Christ the King Catholic & C of E Primary School | £3,039,000 |
| • Stapely Broad Lane Primary School | £906,000 |
| • Offley Primary School | £845,000 |
| • Energy Efficiency – Invest to Save | £75,000 |
4. That Council be recommended to approve the use of General Reserves to fund the following items as detailed in Section 15 of the report:-
- (a) £75,000 in 2009-10 for energy efficiency measures to reduce Carbon Emissions.
 - (b) Round 2 Voluntary Redundancy costs of up to £5m, together with the additional future payment of actuarial costs.
5. That Council be recommended to approve the use of General Reserves to create the following new earmarked reserves as detailed in Section 15 of the report: -
- (a) Invest-to-Save Projects (£2m)
 - (b) Enabling Local Working (£625,000)

142 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded from the meeting during consideration of the following item pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1 and 2 of Part 1 of Schedule 12A to the Local Government Act 1972 and the public interest would not be served in publishing the information.

143 **MANAGING WORKFORCE CHANGE**

Consideration was given to the report of the Head of Human Resources and Organisational Development.

RESOLVED

For the reasons set out in the report: -

That Cabinet supports the decision of the Chief Executive to release the employees whose roles are listed in Appendix A of the report under the arrangements agreed in relation to severance provisions for employees in the Council.

The meeting commenced at 2.00 pm and concluded at 4.25 pm

W Fitzgerald (Chairman)

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	1 December 2009
Report of:	Paul Bayley, Customer Services Manager Gareth Pawlett, Head of Technical Strategy & Planning
Subject/Title:	Procurement of Customer Relationship Management (CRM) Solution for Cheshire East Council
Portfolio Holder	Councillor David Brown

1.0 Report Summary

- 1.1 Authority is sought to procure software, hardware and professional services that will constitute the implementation of a Customer Relationship Management (CRM) solution. The CRM Solution's functionality (see section 3.0 below) will underpin the Council's Customer Access Strategy.
- 1.2 Cheshire East has three CRM systems inherited from the former constituent Councils. One of these could be rolled out for the whole of Cheshire East; however, the cost of developing one of these systems may not offer the most economically advantageous solution and would not comply with procurement legislation. As a result the recommendation is to tender the requirement with a view to having a solution operational by April 2010.
- 1.3 The intention is to use the Office of Government Commerce (OGC) framework solutions and its associated CRM Framework Agreement. This will ensure that the requirement is exposed to competition and secures submissions from companies with proven abilities in this area.
- 1.4 Capital Provision has been made in the 2009/10 Budget (see Para 8)

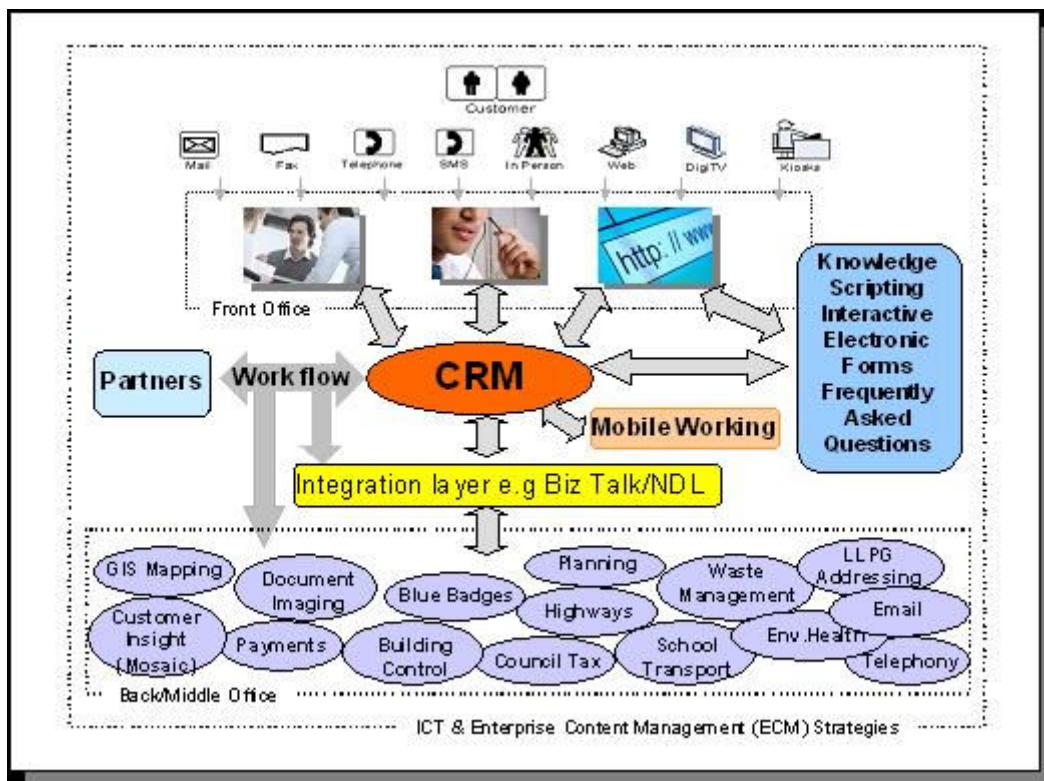
2.0 Decisions Requested

- 2.1 Approval for the procurement of software, hardware and professional services that will constitute the implementation of a Customer Relationship Management (CRM) solution.

3.0 Reasons for Recommendations

- 3.1 Cheshire East's aim is to bring high quality cost-effective services closer to the customer and to put the customer at the heart of everything it does.
- 3.2 Key elements of this are to record and progress service requests in an effective manner across a range of access channels and to ensure that all these channels are informed with comprehensive customer data, some of which is currently located in back office systems.

- 3.3 Another important element is to enable the Council to maintain a corporate view of customer interaction. In effect this will be a single view of the customer encompassing their contact history, their needs and preferences, current “open” interactions and current progress in resolving them. This information will be available to the customers themselves when self-delivering services and to staff when delivering services on their behalf.
- 3.4 Such an approach will enable the Council to deliver not only a customer’s immediate presented needs but to identify related needs and address these at the same visit. This is known as *The Circle of Need*. Similarly a customer should only need to inform the Council once about a change in their circumstances and this should then be progressed across other departments and other community providers. This is known as *Tell US Once*.
- 3.5 The whole aim is improve the customer experience, reducing avoidable customer contact, delivering one-stop customer services and, at the same time, improving efficiency and reducing cost.
- 3.6 To achieve these aims the Council needs to procure software, hardware and professional services that will constitute the implementation of a Customer Relationship Management (CRM) solution.
- 3.7 The chart below shows how the CRM will interact with the various customer channels and service systems. It will be a key component of the wider Cheshire East Enterprise Architecture.



- 3.8 The solution will be used principally, but not exclusively, within Customer Services, particularly because the majority of customer contacts occur within the Division. However, the solution will interact with key back office systems

and provide a comprehensive workflow engine to progress customer requests wherever they need to be delivered.

- 3.9 The solution will also record and progress Corporate Complaints & Suggestions, and Freedom of Information requests so as to encompass a complete picture of customer interaction.
- 3.10 Crucially, it will also provide management information for services and the corporate centre to highlight service failures and secure root cause resolution.
- 3.11 The CRM Solution's functionality will underpin the Council's Customer Access Strategy.
- 3.12 The intention is to use the Office of Government Commerce (OGC) procurement vehicle and its associated OGC CRM Framework Agreement. This will ensure that the requirement is exposed to competition and secures submissions from companies with proven abilities in this area.
- 3.13 An existing CRM solution could be rolled out for the whole of Cheshire East. For example, the Microsoft Dynamics Solution, in use at the Dalton House Contact Centre, has comprehensive functionality, was partially developed as part of the former County Council's Transforming Cheshire Initiative and has already received investment of up to £120,000 in licensing cost. However, the resource needed to develop this, or the Capita CRM in use at Macclesfield, or the LA CRM in use at Crewe, Nantwich and Sandbach, needs to be evaluated against other providers to secure the most economically advantageous solution for the Council.
- 3.14 Therefore, bids to develop legacy solutions will be evaluated alongside solutions offered by companies such as Northgate or Lagan to ensure that commissioning and life cycle resourcing are properly understood. There is also the prospect that a legal challenge could be launched if a legacy system is rolled out without competition because of the scale of current solutions compared with the much larger scale of the whole Cheshire East solution.
- 3.15 2009/10 Capital Provision has been made (see 8) below) and a detailed CRM Requirements Document with Executive Summary has been produced.

4.0 Wards Affected

- 4.1 The initiative is not ward dependant but will enable any ward specific issues to be recorded against a customer profile and prompted during a customer interaction.

5.0 Local Ward Members Not Applicable

6.0 Policy Implications including - Climate change - Health

- 6.1 Reducing avoidable customer contact will reduce travelling needs. CRM with its customer profiling and links to socio economic and retail data (Mosaic) can target carbon footprint and health improvement campaigns to receptive citizens.

7.0 Financial Implications for Transition Costs (Authorised by the Borough Treasurer)

7.1 None

8.0 Financial Implications 2009/10 and beyond (Authorised by the Borough Treasurer)

- 8.1 A capital provision has been included within the 2009/10 Capital Budget. The procurement process will, however, secure the best value solution for the Council, taking into account any costs of borrowing and previous expenditure on the legacy CRM system development.
- 8.2 ICT revenue budgets will fund the annual maintenance charges of circa 15-18% associated with the CRM, but these will be offset by the elimination of maintenance costs from existing CRMs and associated systems.
- 8.3 The benefits of CRM, for example improvements in efficiency, reduction in avoidable contacts, and a migration to self-delivery channels, will be realised across the Council, and assistance will be sought from Finance to ensure those benefits are allocated to Customer Services to help offset the prudential borrowing costs.

9.0 Legal Implications (Authorised by the Borough Solicitor)

9.1 Advice has been sought and acted upon regarding the procurement of the CRM.

10.0 Risk Management

10.1 The risk of securing the wrong solution has been mitigated by comprehensive analysis of Cheshire East's requirements, thorough assessment of the marketplace, the approaches taken by other Councils and a competitive tender process involving companies with a proven track record of delivering CRM solutions.

11.0 Background and Options

- 11.1 CRM solutions, traditionally associated with the private sector, are now considered essential for delivering quality customer services in the public sector. They break down the silo approach to delivering services and introduce workflow to ensure customer requests are progressed in a structured and timely manner to a conclusion. They bring back-office information into the front office where it is needed to serve the customer and they enable a customer to self-serve through a web portal. Importantly they provide a corporate view of customers and comprehensive management information to improve the customer experience and corporate efficiency.
- 11.2 The Council could choose not to procure a CRM solution but this would prevent Customer Services from fulfilling its role as one of the Council's key Transformation Enablers. It would also inhibit the Council's progress to customer service excellence.

12.0 Overview of Year One and Term One Issues

- 12.1 During the early part of 2010/11 the CRM will be developed to deliver the wide range of services currently provided in the Customer Centres, Contact Centres, Customer Service Points and via the Website. However, front office service depth will be optimised at least to the maximum depth currently delivered at any location. Challenges will be encountered in creating a unified front office where services have not yet harmonised their service systems, however, the use of integration interfaces will through the CRM secure a single view of these multiple systems.
- 12.2 Further developments of the CRM will follow aligned to the Corporate Business Transformation programme. It will support the findings of the CWIEP Development Management Initiative, which is evaluating migrating planning services into the corporate front office. It will also move into delivering more comprehensive high volume Waste Management and Revenues and Benefits services and into *Tell us Once* and *Circle of Need* functionality (see 3.4 above).

13.0 Access to Information

The background papers used in the preparation of this report are:

- Customer Access Strategy
- Customer Access Vision 2009 – 2013
- CRM Requirements Document
- CRM Requirements Executive Summary

Contact the report writer to inspect them:

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Designation: Customer Services Manager
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CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting:	1 December 2009
Report of:	Borough Solicitor
Subject/Title:	Establishment of Joint Extra Care Housing Management Board
Portfolio Holder:	Councillor Roland Domleo

1.0 Report Summary

- 1.1 This report provides an update in relation to Extra Care Housing and seeks to secure the establishment of a Joint Extra Care Housing Management Board and the appointment of Members to that Board

2.0 Decision Requested

- 2.1 Note the current position in respect of Extra Care Housing
- 2.2 Agree the establishment of Joint Extra Care Housing Management Board with the Terms of Reference set out in paragraph 23 and with the Powers set out in Appendix 2 and the Constitution set out in Appendix 1
- 2.3 Delegate those functions that are not reserved to the Council, relating to Extra Care Housing, to the Joint Extra Care Housing Management Board using the powers under the Local Government Acts of 1972 and 2000 and other enabling powers
- 2.4 Appoint the following portfolio holders to the Joint Extra Care Housing Management Board: Adult Services; Resources; and Procurement, Assets and Shared Services (noting that the Constitution allows for substitutes from Cabinet to attend)
- 2.4 Give delegated authority to the Borough Solicitor to make suitable and necessary amendments to the Terms of Reference and Constitution of JECHMB as a result of any conflict between the decisions of the Cabinet and the Executive of Cheshire West and Chester Borough Council

3.0 Reasons for Recommendations

- 3.1 In order to secure PFI credits for Extra Care Housing, it is necessary to work jointly with Cheshire West and Chester Council. The Joint Extra Care Housing Management Board will ensure that a small group of key Members is able to manage existing provision and assist in the progression of the procurement of new provision on behalf of the two authorities.

4.0 Wards Affected

- 4.1 No wards are affected.

5.0 Local Ward Members

5.1 Not applicable

**6.0 Policy Implications including - Climate change
- Health**

6.1 Not applicable

7.0 Financial Implications for Transition Costs (Authorised by the Borough Treasurer)

7.1 Not applicable

8.0 Financial Implications 2009/10 and beyond (Authorised by the Borough Treasurer)

8.1 There are no direct financial implications of setting up this Board. However, the extensive and demanding nature of the PFI procurement route will require the Council to, on occasion, act quickly in order to maximise its financial outcome within the overall project. The Board through its delegated decisions will, for example, be able to ensure that key deadlines are delivered and in turn, that best possible commercial rates (for example in respect of banks loans) are obtained by the project.

9.0 Legal Implications (Authorised by the Borough Solicitor)

9.1 The Council's constitution provides that the Cabinet may set up sub-committees. The Local Government Act 1972 allows local authorities to set up joint committees and further authority for such joint arrangements was introduced by virtue of regulations made under the Local Government Act 2000. The Joint Extra Care Housing Management Board will be a joint committee.

9.2 In setting up the Joint Extra Care Housing Management Board there must be clarity about what it is able to do; hence Terms of Reference have been produced: as well as clear rules as to how it should operate; hence a Constitution has been prepared.

9.3 Formal delegations are required to give effect to the joint working arrangements that are proposed: firstly a delegation of functions by both Councils to the Joint Extra Care Housing Management Board and secondly a delegation of those functions by the Joint Extra Care Housing Management Board to the Lead Authority, Cheshire East Council.

10.0 Risk Management

10.1 It is believed that the Joint Extra Care Housing Management Board is necessary to ensure that existing provision is managed effectively at a strategic level and to allow the new provision to be procured efficiently. Without the Joint Extra Care Housing Management Board there is a risk that decisions could be delayed due to the timing of the respective Cabinet/Executive.

11.0 Background and Options

CURRENT POSITION IN RESPECT OF EXTRA CARE HOUSING

- 12 Extra Care Housing (ECH) has been a success in Cheshire with five ECH schemes completed so far (amounting to 433 one/two bedroomed apartments). These schemes were developed as part of the Cheshire Extra Care (Non HRA) Private Finance Initiative (PFI) (Round 3) Project.
- 13 Cheshire East and Cheshire West and Chester Borough Councils have expressed interest to Central Government in jointly securing further ECH PFI funding (approximately £60M of PFI Credits) in the Government's Round 5 round of funding for such projects. Round 5 has been underway for some time and is now entering a critical stage.
- 14 A joint officer team has been established by the Authorities and this has successfully identified four sites, two in each Authority area which could deliver a further 337 one bed plus/two bedroomed apartments. Outline planning permission is being sought imminently on all four sites with the respective Authorities. This is an important step for the Authorities as it increases the potential deliverability of the project. It is a pre-condition of submission of the Outline Business Case (OBC) that three out of four of the sites have outline planning permission and once this is secured it will be very encouraging for the potential bidders. The OBC was submitted some time ago, but a refined version that deals with various issues raised by the Government is due to be completed shortly. The approval of the OBC will be the first item for the JECHMB to deal with.
- 15 A recent project launch event at Tatton Park for Round 5 ECH in Cheshire was well attended by various potential bidders and funders. It is apparent that there is significant market-place interest in the joint scheme.
- 16 Officers have set themselves a very challenging target to submit the OBC to the Government - late December 2009. It is anticipated that it will be assessed by the Treasury's Project Review Group and a decision reached on the award of PFI Credits in March 2010 which would enable the Authorities to proceed with the procurement of external advisors, place a notice in the European Journal in respect of the project and commence the procurement. It should be noted however that the impending general election could affect the success of, or speed at which applications will be considered.
- 17 For PFI, notwithstanding that this is a joint scheme, it will be necessary to have a lead authority. The lead authority for the Round 5 ECH PFI is Cheshire East. There is a great deal of joint working by the officers and the project must continue to have the backing of both Authorities if it is to succeed. It is now necessary to further define the joint working arrangements and to ensure that an efficient and timely decision-making process is in place. The Government is keen to check that the arrangements are in place.

MEMBER ARRANGEMENTS

- 18 The remainder of this report deals with the proposed joint working arrangements at Member level. These arrangements will govern both Round 3 (management and ongoing responsibility for existing schemes) and Round 5 (procurement of more ECH provision).

Member Board

- 19 This report seeks to establish a joint member committee, to be called the Joint Extra Care Housing Management Board (JECHMB) to oversee the procurement of the Round 5 project and to deal with the project management issues resulting from Round 3.

Membership of JECHMB

- 20 It is proposed that the JECHMB will comprise of three executive Members from each Authority, nominated by and from the respective Cabinet and Executive of the Authorities.
- 21 In Cheshire East the following portfolio holders have been identified: Adult Services, Resources and Procurement, Assets and Shared Services. In Cheshire West, the likely portfolio holders are: Adult Services, Finance and Prosperity.

Chairmanship of JECHMB

- 22 As Cheshire East is Lead Authority, it will have chairmanship of JECHMB.

Terms of Reference of JECHMB

- 23 The following Terms of Reference are proposed:

JECHMB shall be responsible for:

Providing strategic guidance
Making strategic decisions
Reviewing performance

in relation to Extra Care Housing provision (except where matters are reserved to the respective authorities)

Extent of Powers of JECHMB

- 24 In order to further define the role and powers of JECHMB and the respective Authorities (acting through their respective Cabinet/Executive) two tables have been produced which appear in Appendix 2 to this report. The first relates to Round 3 (i.e. it is mainly about contract management of the existing provision) and the second relates to Round 5 (i.e. it is mainly about procurement of the new provision).

Constitution of JECHMB

- 25 JECHMB will function as a joint committee and be subject to all of the usual rules relating to public meetings. A proposed Constitution appears in Appendix 1 to this report.

Respective Roles of Lead and Non-Lead Authorities

- 26 It is likely to be helpful to Members to see the roles of the Authorities as Lead and Non-Lead in relation to the ECH. An outline of these roles appears in Appendix 3. Whilst the roles may need to be further defined and developed, the appendix is believed to be a good starting point. They will form part of the Inter Authority Agreement that will need to be concluded shortly.
- 27 The two councils will delegate to JECHMB as outlined in this report and then the JECHMB will delegate to Cheshire East Council as the Lead Authority.

28.0 Overview of Year One and Term One Issues

- 28.1 There is the uncertainty at the time of writing this report as to the timing of the decision about the award of PFI credits. Work in relation to Extra Care Housing will develop quickly should the approval be given and this will be a major project.

29.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

Name: Andrew Leadbetter
Designation: Legal Services Manager
Tel No: 01270 529948
Email: andrew.leadbetter@cheshireeast.gov.uk

APPENDIX 1

Constitution of the Joint Extra Care Housing Management Board

1. Each of the Authorities shall appoint three Members (being elected members of the respective Cabinet/Executive of the Authorities) as its nominated Members of the JECHMB. The Members appointed shall have full voting rights.
2. Each Authority may nominate one or more substitute Members from the respective Cabinet/Executive of the Authorities to attend any meeting in place of an appointed Member from that Authority, subject to notification being given to the Lawyer and Secretary to the JECHMB before the start of the meeting. The Member appointed as a substitute shall have full voting rights where the Member for whom they are substituting does not attend. If an Authority's nominated Members attend a meeting of the JECHMB, any named substitute may also attend as an observer but shall not be entitled to vote.
3. Each Member of the JECHMB shall comply with the Code of Conduct of their Authority when acting as a Member of the JECHMB.
4. Each of the Authorities may remove any of its nominated Members or substitute Members of the JECHMB and appoint a different Member or substitute to the JECHMB from the respective Cabinet/Executive of the Authorities by giving written notice to the Lawyer and Secretary to the JECHMB.
5. Each Authority shall have three votes. These shall be exercised by the nominated Members who are elected members of the Authority. In the absence of a Authority's nominated Member, a vote may be exercised by the named substitute who is an elected member of the Authority.
6. Each Member of the JECHMB shall serve upon the JECHMB for as long as he or she is appointed to the JECHMB by the relevant Authority but a Member shall cease to be a member of the JECHMB if he or she ceases to be a Member of the Authority's Cabinet/Executive that appointed him or her or if the relevant Authority removes him or her as a Member of the JECHMB.
7. Any casual vacancies howsoever arising shall be filled by the Authority from which the vacancy arises by notice in writing sent to the Lawyer and Secretary to the JECHMB.
8. Meetings of the JECHMB shall be held at the offices of the Lead Authority.
9. The JECHMB shall appoint one of its nominated Members as Chairman and another one of its nominated Members as Vice Chairman to hold office until such time as any Member of the JECHMB requests another nomination to one or more of these offices.

11. The JECHMB shall meet once every two months (bi-monthly) unless otherwise determined by the JECHMB.
12. The Lawyer and Secretary to the JECHMB may call additional meetings by providing at least five clear days' notice to Members of the JECHMB, for the purposes of resolving matters arising between the bi-monthly meetings of the JECHMB. The Lawyer and Secretary to the JECHMB must call a meeting of the JECHMB if at least two Members of the JECHMB request it or the Head of Paid Service of either Authority requests it.
13. Meetings shall be notified to Members of the JECHMB by the Lawyer and Secretary to the JECHMB.
14. The Lawyer and Secretary to the JECHMB shall send electronically to all Members and relevant officers of each Authority the agenda for each meeting of the JECHMB no later than five clear working days before the date of the relevant meeting. The Lawyer and Secretary to the JECHMB shall send to all Members of the JECHMB, to the Political Group Leaders of each Authority and relevant officers of each Authority printed copies of the agenda for each meeting of the JECHMB no later than five clear working days before the date of the relevant meeting.
15. The Lawyer and Secretary to the JECHMB shall arrange for written minutes to be taken of each meeting of the JECHMB and shall present them to the JECHMB at its next meeting for approval as a correct record. If the JECHMB confirms that the minutes contain an accurate record of the previous meeting, those minutes shall be signed by the Chairman or Vice-Chairman.
16. A meeting of the JECHMB shall require a quorum of two Members of each Authority who are entitled to attend and vote. If there is a quorum of members present but neither the Chairman nor the Vice-Chairman is present, the Members present shall designate one Member to preside as Chairman for that meeting.
17. Subject to the provisions of any enactment, all questions coming or arising before the JECHMB shall be decided by a majority of the Members of the JECHMB immediately present and voting thereon. However, matters before the JECHMB shall wherever possible be decided by consensus. In the case of an equality of votes when a matter is being considered for the first time the matter will be deferred to the next meeting of the JECHMB. If there remains an equality of votes the second time the matter is considered then the Chairman of the meeting shall exercise his or her casting vote.
18. Any Member of the JECHMB may request the JECHMB to record the votes of individual Members of the JECHMB on a matter for decision.
19. A Member when speaking shall address the Chairman. If two or more Members wish to speak, the Chairman shall call on one to speak. While a Member is speaking other Members shall remain silent.

20. A Member shall direct his/her speech to the matter under discussion or to a personal explanation or to a point of order.
21. Only one amendment to a proposal may be moved and discussed at a time and no further amendment shall be moved until the amendment under discussion has been disposed of, providing that the Chairman may permit two or more amendments to be discussed (but not voted on) together if circumstances suggest that this course would facilitate the proper conduct of the JECHMB's business.
22. If an amendment is lost, other amendments may be moved on the original motion. If an amendment is carried, the motion as amended shall take the place of the original motion and shall become the motion upon which any further amendment may be moved.
23. The order of business shall be indicated in the agenda for the meeting.
24. When a motion is under debate by the JECHMB no other motion shall be moved except the following:
 - 24.1 to amend the motion;
 - 24.2 to adjourn the meeting;
 - 24.3 to adjourn the debate;
 - 24.4 to proceed to the next business;
 - 24.5 that the question be now put;
 - 24.6 that a Member be not further heard;
 - 24.7 by the Chairman that a Member do leave the meeting;
 - 24.8 a motion under Section 100(A)(4) of the Local Government Act 1972 to exclude the public;
 - 24.9 to postpone consideration of the item.
25. A Member may move without comment at the conclusion of a speech of another Member, "That the Board proceed to the next business", "That the question be now put", "That the debate be now adjourned", or "That the Committee do now adjourn", on the seconding of which the Chairman shall proceed as follows:
 - 25.1 on a motion to proceed to next business; unless in his opinion the matter before the meeting has been insufficiently discussed put to the vote the motion to proceed to the next business
 - 25.2 on a motion that the question be now put; unless in his opinion the matter before the meeting has been insufficiently discussed he shall first put to the vote the motion that the question be now put
 - 25.3 on a motion to adjourn the debate or the meeting; if in his opinion the matter before the meeting has not been sufficiently discussed and cannot reasonably be efficiently discussed on that occasion put the adjournment motion to the vote.

The ruling of the Chairman shall not be open for discussion.

26. Any member of the Authorities who is not a Member of the JECHMB is entitled to attend the JECHMB but he/she shall not be entitled to vote,

shall not take part in the consideration or discussion of any business, save by leave of the Chairman and comments will be recorded only on the direction of the Chairman.

27. The following elected representatives are entitled to attend the JECHMB but they shall not be entitled to vote, shall not take part in the consideration or discussion of any business, save by leave of the Chairman and comments will be recorded only on the direction of the Chairman:

27.1 Members of parish councils within the areas of the Authorities;

27.2 Members of Parliament for the residents of the areas of the Authorities;

27.3 Members of the European Parliament for the residents of the areas of the Authorities.

28. Meetings of the JECHMB will be open to the public except to the extent that they are excluded under paragraph 31.

29. Members of the public wishing to address the JECHMB (or a subcommittee of the JECHMB) on reports contained within the agenda for the meeting shall be given the opportunity to do so subject to:

29.1 the opportunity being extended to one person to speak in support of each agenda item and one person to speak against each agenda item when called to do so by the Chairman;

29.2 an indication of the desire to speak on the agenda item being made by the person just prior to the meeting and the name supplied to the Democratic Services Officer in attendance, the first person registering to have precedence in the event of more than one person wishing to speak either for or against the agenda item;

29.3 each person addressing the JECHMB being limited to three minutes speech;

29.4 an opportunity being provided for an expression of a contrary view, even though no prior notice has been given, when a member of the public has spoken for or against the item;

29.5 in the event of the person having registered to speak on an agenda item not wishing to take up their right to speak on the agenda item because it was deferred, that person will automatically be given the right to speak on the agenda item at the next meeting of the JECHMB;

29.6 the Chairman of the meeting having discretion to rule that a person wishing to address the meeting shall not be heard if, in his/her opinion, that issue or the organisation or the person wishing to make representation on that issue has received an adequate hearing.

30. The public may be excluded from a meeting of the JECHMB during an item of business whenever it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that, if members of the public were present during that item, confidential information as defined in section 100A(3) of the Local Government Act 1972 or exempt information as defined in section 1001 of the Local Government Act 1972 would be disclosed to them.

31. Each Authority may call in any decision of the JECMB in accordance with the overview and scrutiny provisions of that Authority's constitution. If any decision of the JECMB is subject to call in by an Authority, the JECMB shall take no action to implement that decision unless the call in process upholds the decision.
32. The JECMB may delegate a function to an officer or sub committee.
33. Any contractual procedures will be undertaken by one of the Authority's and that Authority will apply its own financial regulations and contract procedure rules to those arrangements.
34. The Lawyer and Secretary to the JECMB shall provide governance and secretarial support services and legal advice and support to the JECMB on such terms as may be agreed from time to time between the Authorities.

APPENDIX 2

JOINT EXTRA CARE HOUSING MANAGEMENT BOARD Round 3 – Management of Current Provision	
RESERVED TO RESPECTIVE CABINET/ EXECUTIVE	JOINT EXTRA CARE HOUSING MANAGEMENT BOARD
Fundamental changes to any contractual relationships	Reaction to external policy changes and proposals
Termination of any contractual relationships	Internal policy setting and changes to policy
Setting financial parameters that the Joint Extra Care Housing Management Board must operate to	Strategy to maintain performance
Award of Replacement/New Contracts	High level performance monitoring (service standards and financial position)
Changes to Terms of Reference	Approval and review of inter authority arrangements
Changes to Constitution	Provision of strategic direction
Agreement to swap Lead and Non-Lead Authority Roles	Approval of procurement arrangements
Appointment of Joint Extra Care Housing Management Board members	Last stage in handling complaints
	Appointment of external advisers (subject to Finance and Contract Procedure Rules of Lead Authority and provided appropriate budget identified by respective Councils)
It is possible for the Joint Extra Care Housing Management Board to refer a matter to the respective Cabinet/Executive for decision.	

JOINT EXTRA CARE HOUSING MANAGEMENT BOARD Round 5 – Procurement of New Provision	
RESERVED TO RESPECTIVE CABINET/EXECUTIVE	JOINT EXTRA CARE HOUSING MANAGEMENT BOARD
Decision to acquire a site (or secure an option on a site) including granting leases as appropriate.	Approval and review of inter authority arrangements
Approval of the project affordability at all stages	Provide overview of and all necessary procurement approvals other than those specifically reserved to the Authorities
Approval of Bidders to proceed to final stage	Approval of Outline Business Case and authorisation to submit
Approval of Preferred Bidder	Approval of list of Bidders to be invited to participate in the competitive dialogue procurement process
Award of and approval of execution of PFI contract	Recommendations to respective Cabinet/Executive in relation to procurement approvals as necessary
Certification of PFI Contract and costs indemnities	Appointment of external advisers (subject to Finance and Contract Procedure Rules of Lead Authority and provided appropriate budget identified by respective Councils)
Award of and approval of execution of Care and where appropriate Catering Contracts	
Changes to Terms of Reference	
Changes to Constitution	
Appointment of Joint Extra Care Housing Management Board Members	
It is possible for the Joint Extra Care Housing Management Board to refer a matter to the respective Cabinet/Executive for decision.	

APPENDIX 3 [NOT FINALISED – WILL BE PART OF INTER AUTHORITY AGREEMENT]

OBLIGATIONS OF PARTIES IN RESPECT OF INTER AUTHORITY ARRANGEMENTS

LEAD AUTHORITY'S OBLIGATIONS

(Often in conjunction with Non-Lead Authority)

Observe Principal Partnering Obligations and seek to achieve Mutual Aims
(these will be in an Inter Authority Agreement governing how the Authorities work together)

Appropriately resource the project to ensure that its obligations set out in the Inter Authority Agreements and the Contracts are met (including reporting to Joint Extra Care Housing Management Board)

General requirement for adequate and timely communication of issues to Non-Lead Authority

Manage and enforce the Contracts

Work to maximise occupancy of extra care accommodation

Fulfil obligations in relation to the Financial Matters Schedule set out in the Inter Authority Agreements

Deal with requests under the Freedom of Information Act 2000 for the Parties

Deal with notices in accordance with the provisions of the Inter Authority Agreement and Contracts

Handle communications and supply of information

Consult where necessary with the Non-Lead Authority

NON-LEAD AUTHORITY OBLIGATIONS

Observe Principal Partnering Obligations and seek to achieve Mutual Aims

Appropriately resource the work to ensure that its obligations set out in the Inter Authority Agreements and the Contracts are met

General requirement for adequate and timely communication of issues to Lead Authority

Make Payments requested by the Lead Authority in accordance with the requirements set out in Financial Matters Schedule of the Inter Authority Agreements, (including setting aside an appropriate budget).

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