

Council Agenda

Date: Thursday 24th February 2011
Time: 2.00 pm
Venue: The Assembly Room - Town Hall, Macclesfield SK10 1DX

The agenda is divided into two 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. **Prayers**

2. **Apologies for Absence**

3. **Minutes of the Previous Meeting** (Pages 1 - 18)

To approve the Minutes of the meeting held 16 December 2010 as a correct record.

4. **Mayor's Announcements**

To receive such announcements as may be made by the Mayor.

5. **Declarations of Interest**

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

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

In accordance with Council Procedure Rule 35 and Appendix 7 to the rules, a total period of 15 minutes is allocated for members of the public to speak at Council meetings.

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.

Members of the public must provide 3 clear working days notice, in writing, if they wish to ask a question at the meeting. It is not a requirement to give notice of the intention to make use of public speaking provision. However, as a matter of courtesy, a period of 24 hours notice is encouraged.

7. **Notices of Motion** (Pages 19 - 22)

To consider the attached Notices of Motion, submitted in accordance with Procedure Rule 12 by Councillor J Macrae and Councillor R Menlove

8. **Recommendation from Cabinet - Business Planning Process 2011-2014 - Budget Report** (Pages 23 - 166)

To consider and approve the recommendations from the meeting of Cabinet held on 14 February 2011.

9. **Treasury Management Strategy and Minimum Revenue Provision Statement 2011/12** (Pages 167 - 190)

To consider the recommendation from the meeting of Cabinet held on 14 February 2011 and to approve the Treasury Management Strategy and the Minimum Revenue Provision Statement for 2011/12, which includes the Department for Communities and Local Government (DCLG) reporting requirements, in accordance with the Local Government Investments Guidance under Section 15(1)(a) of the Local Government Act 2003, as set out in Appendix A to the Report.

10. **Council Tax 2011/12 Statutory Resolution** (Pages 191 - 196)

To set the Council Tax for the financial year 2011/12, in accordance with the formal resolution as shown in section 19 of the Report.

11. **Recommendation from Cabinet - Corporate Plan** (Pages 197 - 234)

To consider and approve the recommendation from the meeting of Cabinet held on 14 February 2011.

12. **Recommendation from Cabinet - Local Transport Plan** (Pages 235 - 410)

To consider and approve the Local Transport Plan Strategy.

13. **Recommendation from Cabinet - Interim Planning Statement on Affordable Housing** (Pages 411 - 452)

To consider and approve the recommendation from the meeting of Cabinet held on 14 February 2011.

14. **Recommendation from Cabinet - Interim Planning Policy on Release of Housing Land** (Pages 453 - 484)

To consider and approve the recommendation from the meeting of Cabinet held on 14 February 2011.

15. **Recommendation from the Constitution Committee - Licensing Committee Terms of Reference and Delegations** (Pages 485 - 494)

To consider and approve the recommendations from the meeting of the Constitution Committee held on 27 January 2011.

16. **Recommendation from the Constitution Committee - Public Speaking at Public Rights of Way Committee** (Pages 495 - 504)

To consider and approve the recommendations from the meeting of the Constitution Committee held on 27 January 2011.

17. **Recommendation from the Licensing Committee - Sexual Entertainment Venues, Schedule 3 Local Government (Miscellaneous Provisions) Act 1982 (as amended)** (Pages 505 - 520)

To consider and approve the recommendations from the meeting of the Licensing Committee held on 10 January 2011.

18. **Leader's Report to Full Council**

The Leader of the Council to report the following Key Decision, which has been taken under the urgency provisions contained within Council Procedure Rule 44 :-

The issuing of Judicial Review proceedings to challenge Defra's decision to withdraw PFI credits in relation to the Cheshire Waste Treatment Facility.

19. **Questions**

In accordance with Procedure Rules 11, opportunity is provided for Members of the Council to ask the Chairman, the appropriate Cabinet Member or the Chairman of a Committee any question about a matter which the Council, the Cabinet or the Committee has powers, duties or responsibilities.

Questions must be sent in writing to the Monitoring Officer at least 3 clear working days before the meeting.

This page is intentionally left blank

CHESHIRE EAST COUNCIL

Minutes of a meeting of the Council
held on Thursday, 16th December, 2010 at Macclesfield Town Hall,
Macclesfield, SK10 1DX

PRESENT

Councillor G Baxendale (Chairman)
Councillor R West (Vice-Chairman)

Councillors C Andrew, A Arnold, M Asquith, Rachel Bailey, Rhoda Bailey, A Barratt, G Barton, C Beard, W T Beard, D Bebbington, S Bentley, D Brickhill, S Broadhurst, D Brown, D J Cannon, R Cartlidge, S Conquest, J Crockatt, H Davenport, M Davies, W S Davies, R Domleo, J P Findlow, W Fitzgerald, R Fletcher, D Flude, S Furlong, H Gaddum, L Gilbert, J Goddard, J Hammond, M Hardy, D Hough, T Jackson, J Jones, S Jones, F Keegan, A Knowles, A Kolker, M Lloyd, A Martin, M A Martin, P Mason, R Menlove, G Merry, A Moran, B Moran, H Murray, D Neilson, A Ranfield, B Silvester, M J Simon, L Smetham, D Stockton, D Thompson, A Thwaite, C Tomlinson, D Topping, R Walker, G M Walton, M J Weatherill, R Westwood, P Whiteley, S Wilkinson and J Wray

Apologies

Councillors E Alcock, B H Dykes, P Edwards, M Hollins, E Howell, O Hunter, W Livesley, J Macrae, S McGrory, J Narraway, M Parsons and C G Thorley

68 PRAYERS

Councillor S Wilkinson said prayers, at the request of the Mayor.

69 MINUTES OF THE ORDINARY COUNCIL MEETING AND THE SPECIAL COUNCIL MEETING HELD ON 14 OCTOBER 2010**RESOLVED**

That the minutes be approved as a correct record.

70 MAYOR'S ANNOUNCEMENTS

The Mayor :-

(1) Extended a warm welcome to a new member of our Corporate Management Team, Interim Borough Solicitor, Caroline Elwood and reported that Caroline had over 30 years' experience in local government, holding senior legal positions at Sefton Council, Salford City Council, Vale Royal Borough Council and Preston City Council. Caroline replaced Chris Chapman, who left the authority to commence his new role at Herefordshire Council.

(2) Announced that, in early November, Cheshire East had the privilege of hosting three Homecoming Parades for the 1st Battalion The Mercian Regiment (Cheshire) and that It had been a wonderful sight to see over 500 soldiers marching through the streets of Macclesfield, Crewe and Congleton and to witness the wonderful reception they received from the public. There had been some really positive feedback from The Mercians and the Mayor thanked all those who had supported the events and stated that, hopefully, next year the regiment would be visiting some of the other towns in Cheshire East.

(3) Following on the military theme, the Mayor reported that, as a fundraiser for his charity, the Army Benevolent Fund, he had organised a Dress Down Friday for staff at Cheshire East. During the day he had visited Macclesfield Town Hall, Dalton House, Emperor Court, Delemere House and Westfields and was delighted to report that a fantastic £638.39 had been raised for the charity.

(4) Announced that, in the previous month, the Council had published a "What's on in Cheshire East" guide, which was funded by the Cheshire East Economic Recovery Task Group. The 16 page guide highlighted all the activities and events taking place across Cheshire East's towns during the festive season. If Members hadn't already received a copy they were available to collect after the meeting.

(5) Announced that that the Council had also published a 2011 'Open Air' calendar, put together by the Council's Rangers, which featured some stunning photos taken by staff, showing Cheshire East throughout the seasons. The calendar also promoted events and activities in the 2011 Open Air programme. It was a perfect stocking filler and Members could obtain copies for £2.50 each from the Visitor Information Centre at the Town Hall, in Macclesfield.

(6) Announced that the grand opening of the £52m Alderley Edge and Nether Alderley bypass had taken place on 19 November, almost a century after the first plans were drawn up. The three-mile route, one of the biggest current highway schemes in the North West, was officially opened by the Right Honourable George Osborne, MP for Tatton. More than 150 invited guests had attended the ceremony, followed by a tour of the bypass and a celebratory lunch at Festival Hall, Alderley Edge. The Mayor congratulated all those involved in what has been an incredibly complex and demanding engineering project, undertaken by contractor, Birse Civils and was completed more that six months early. This represented an excellent example of partnership working.

(7) As this was the last meeting before the end of the year and Christmas, the Mayor had arranged for mulled wine, mince pies and coffee to be served after the meeting in Capesthorpe Room and he invited Members and Officers to join him for a short celebration, with musical accompaniment from Styal Primary School.

71 DECLARATIONS OF INTEREST

Councillor Fletcher declared a personal interest in item 14 of the agenda, relating to the Wilmslow Community Governance Review, by virtue of the fact that his wife was related to one of the people involved in lobbying for a Parish Council for Styal.

Councillor Flude declared a personal interest in the item relating to questions, by virtue of the fact that she was a member of the Alzheimer's Society and of the Central Cheshire Advocacy for People with Learning Difficulties.

Also, personal interests were declared by all Members of the Council in respect of item 11 of the agenda, in view of the fact that the Item related to the rights and privileges of Members and Aldermen.

72 PUBLIC SPEAKING TIME/OPEN SESSION

There were no members of the public present, wishing to use the public speaking facility.

73 NOTICE OF MOTION

Consideration was given to the following Notice of Motion, submitted by Councillor Shirley Jones:-

Fairtrade is an alternative approach to international trade. It is a trading partnership which aims at sustainable development for excluded and disadvantaged producers. It seeks to do this by providing better trading conditions by awareness raising and by campaigning.

Cheshire East Council has already resolved to support Fairtrade in principle, but must develop a strategy, if it wishes to formally acquire Fairtrade status for the Borough. This would be achieved by :-

i) continuing to offer Fairtrade marked food such as tea, coffee and sugar internally for meetings and functions.

ii) promoting the Fairtrade Mark using Fairtrade Foundation materials in refreshment areas keeping our commitment to value for money in mind.

ii) promoting the Fairtrade Towns initiative in internal communications and external newsletters.

iv) encourage towns, schools, businesses, faith groups and voluntary organisations in the Borough to promote Fairtrade

v) use its influence to urge local retailers to provide Fairtrade options for the residents of the borough

vi) participating in community activities during Fairtrade Fortnight .

vii) setting up a Steering Group in partnership with Fairtrade organisations in the Borough, representatives of businesses, not for profit organisations, schools and other public bodies to oversee this strategy.

Therefore, Council is requested to consider taking these steps in order to acquire Fairtrade status.

RESOLVED

That the motion stand referred to Cabinet.

74 RECOMMENDATION FROM CONSTITUTION COMMITTEE - LOCAL SERVICE DELIVERY IN UNPARISHED AREAS

Consideration was given to the recommendation of the Constitution Committee, proposing the appointment of two Local Service Delivery Committees for the unparished parts of Crewe and Macclesfield respectively.

RESOLVED

- (1) That a Local Service Delivery (Crewe) Committee be constituted on a 5/1/1 membership basis, with all other local Members being invited to participate, with the arrangements being reviewed in May 2011.
- (2) a Local Service Delivery (Macclesfield) Committee be similarly constituted;
- (3) the powers of each committee be:

“To make representations to Cabinet and Council about the delivery of local services in the area and to monitor local services where a town or parish council acting under local devolution arrangements would have been expected to do so (but not otherwise).”

75 RECOMMENDATION FROM CONSTITUTION COMMITTEE - CALENDAR OF MEETINGS 2011/12

Consideration was given to the recommendation from the Constitution Committee regarding the Calendar of Meetings 2011/12.

RESOLVED

That the Calendar of Meetings for the municipal year 2011/12 be approved and that the starting time of Council meetings be included on the agenda for the first meeting of the new Council in May 2011.

76 REPORT BACK FROM THE CONSTITUTION COMMITTEE ON THE NOTICE OF MOTION RELATING TO THE CREWE COMMUNITY GOVERNANCE REVIEW

Consideration was given to the report back from the Constitution Committee on the Notice of Motion relating to the Crewe Community Governance Review.

Rather than conducting Community Governance Reviews in a piecemeal fashion, it had been suggested that the Constitution Committee may wish to take a more holistic approach by considering the needs of the Borough as a whole. The Committee, had, therefore, recommended that Council defer any further consideration of the subject matter of the Motion until after the May 2011 elections.

RESOLVED

That any further consideration of the subject matter of the Motion be deferred until after the May 2011 elections, at which time Council also be asked urgently to consider undertaking a holistic Borough-wide review of community governance arrangements in Cheshire East.

77 RECOMMENDATION FROM CONSTITUTION COMMITTEE - HONORARY ALDERMEN AND FREEMEN

Consideration was given to the recommendation from Constitution Committee on the rights and privileges to be extended to Honorary Aldermen and Freemen of the Borough.

RESOLVED

- (1) That the rights and privileges of all Cheshire East Honorary Aldermen and Freemen be extended to include:
 - a. Admission tickets to the Cheshire County Show and the RHS Flower Show, provided for by the Council, for themselves and one guest;
 - b. A life Pass for Tatton Park, provided for by the Council;
- (2) That the rights and privileges of all Cheshire East Members be extended to include:
 - a. Admission tickets to the Cheshire County Show and the RHS Flower Show, provided for by the Council for themselves and one guest;
 - b. A pass for Tatton Park provided for by the Council for Members on Council business.

- (3) That the organising committee for the Cheshire County Show, with the support of Cheshire East Council, be invited to consider the reintroduction of a lunch for civic and other dignitaries on a similar basis to that organised by the former County Council, with tickets being offered to Cheshire East Honorary Aldermen and Freeman, Members or other local dignitaries on the basis that the cost of the tickets would be met by those invited.

78 RECOMMENDATION FROM CONSTITUTION COMMITTEE - NEW EXECUTIVE ARRANGEMENTS

Consideration was given to the recommendation from Constitution Committee on options for future executive arrangements for Cheshire East Council.

RESOLVED

That

- (1) the outcome of the public consultation exercise undertaken between 1st October and 12th November 2010 on the options for future executive arrangements for Cheshire East Council be noted;
- (2) the new Strong Leader and Cabinet model of governance be adopted by the Council, this to be brought into effect at the beginning of the next municipal year, subject to any subsequent amending legislation;
- (3) the Borough Solicitor be authorised to amend the Constitution as necessary, to give effect to the decision of Council; and
- (4) those who responded to the public consultation exercise be notified of the Council's decision at the appropriate time.

79 RECOMMENDATION FROM CONSTITUTION COMMITTEE - E PETITIONS - THE LOCAL DEMOCRACY, ECONOMIC DEVELOPMENT AND CONSTRUCTION ACT 2009 AND THE LOCAL AUTHORITIES (PETITIONS) (ENGLAND) ORDER 2010

Consideration was given to the recommendation from Constitution Committee on a proposed revision to the scheme for dealing with petitions, to include provision for e-petitions.

RESOLVED

That the Petitions Scheme be amended to include the additional section dealing with e-petitions, as set out in Appendix A to the Constitution Committee report and that the Constitution be amended accordingly.

80 RECOMMENDATION FROM CONSTITUTION COMMITTEE - WILMSLOW COMMUNITY GOVERNANCE REVIEW - OUTCOME OF STAGE 2 CONSULTATION

Consideration was given to the recommendations from the Constitution Committee, following the second stage of public consultation in respect of the Wilmslow Community Governance Review.

In moving the recommendations, Cllr Findlow, the Chairman of the Constitution Committee, thanked all those who had been involved in the work of the Sub-Committee for their hard work.

RESOLVED

Having taken into account all responses made during the Second Stage of consultation and the recommendations of the Constitution Committee and having regard to the need to ensure that Community Governance within the area reflects the identities and interests of the Community, and is effective and convenient, that Council's recommendations made on 22nd July 2010 be reaffirmed, and that:

(1) having regard to comparator information for Parish Councils in Cheshire East, and having regard to electoral equality, three new parishes be created and the number of Councillors to serve on each of the new Parish Councils be as follows:

- a. Handforth: 7 Councillors
- b. Styal: 7 Councillors
- c. Wilmslow: 15 Councillors

(2) four wards be created for the Wilmslow Parish and named as follows, to provide as far as possible coterminous boundaries for electoral purposes:

- i. Wilmslow West (comprising 5 Councillors: polling districts 8FH1, 8FJ1, 8FG1, 8FC1, 8FA1(part), 8FB1(part), 8FD1(part);
- ii. Lacey Green (comprising 2 Councillors: polling districts 8EK1, 8EA1(part), 8FD1(part);
- iii. Dean Row (comprising 4 Councillors: polling districts 8EA1(part), 8EB1, 8EC1, 8ED1, 8EE1); and
- iv .Wilmslow East (comprising 4 Councillors: polling districts 8FD1(part), 8FA1(part), 8FB1(part), 8FE1, 8FF1)

(3) three wards be created for the Handforth Parish and named as follows:

- i. Handforth West (comprising 3 Councillors: polling districts 8EG1, 8EJ1)
- ii. Handforth East (comprising 2 Councillors: polling district 8EH1); and

iii.Handforth South (comprising 2 Councillors: polling district 8EF1)

(4) accordingly, and subject to the following, the detailed provisions of the draft Cheshire East Borough Council (Re-organisation of Community Governance) Order 2011, as submitted to the meeting be approved and that the Borough Solicitor be authorised to issue the Order and to make any necessary technical and detailed amendments as may be required:

- a. the transitional arrangements for the proposed town and parish councils be dealt with by the Wilmslow Community Governance Review Sub-Committee in consultation with relevant local Ward Members; and
- b. the proposed budgets for the first year of the new councils be as follows:

Wilmslow Parish Council	- £244,275	Indicative	Council
	tax of		
		£23.00 per Band D	property
Handforth Parish Council	- £85,000	Indicative	Council
	tax of		
		£28.00 per Band D	property
Styal Parish Council	- £8,200	Indicative	Council
	tax of		
		£28.00 per Band D	property

(5) in accordance with Section 96 of the Local Government and Public Involvement in Health Act 2007, the Borough Solicitor be authorised to make the necessary arrangements to publicise the outcome of the Community Governance Review.

81 **RECOMMENDATION FROM RESOURCES PORTFOLIO HOLDER - COUNCIL TAX BASE**

Consideration was given to the recommendation from Resources Portfolio Holder relating to the setting of the Council Tax Base.

That, in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the amount to be calculated by Cheshire East Council as its Council Tax Base for the year 2011/12 is:
for the whole area – 146,899.21

for each Parish area as set out in Appendix A to the report submitted to the Resources Portfolio Holder and to Council.

82 QUESTIONS

The following questions had been submitted:-

(1) Lyceum Theatre Crewe

Cllr Thorley had submitted the following question:-

The report by FMG Consulting, Review of the Operations and Operating Models the Lyceum Theatre.

Will the Portfolio Holder Health and Wellbeing inform this Council of the source of the funding recently found to enable the Theatre to continue to operate?

Response

Cllr Knowles, the Health and Wellbeing Portfolio Holder, undertook to provide a written response to the question, to all Members.

(2) The proposed closure of the Information Offices located at the Bus Stations in Macclesfield and Crewe.

Cllr Flude had submitted the following question :-

Can this Council be assured that an Equality Impact Assessment has been carried out?

In relation to:

People with sight impairment and people who are blind.

People who are deaf.

People who have a learning difficulty.

People who have a physical disability

What cooperation has taken place within this council's Adult Services Travel Trainers and the Places Directorate?

Response

Cllr Knowles, undertook to ensure that a written response to question be provided to all Members, on behalf of Cllr Macrae, the Prosperity Portfolio Holder.

(3) The Information Point at Macclesfield Bus Station

Cllr Arnold had submitted the following question:-

The information point at Macclesfield bus station is well used by the travelling public in Macclesfield. The staff maintain the general upkeep of the station and help prevent A.S.B. They also ensure that the toilet facilities are kept well maintained, all important elements in encouraging public transport use. Given the wealth of opposition by bus users and other groups to the proposed withdrawal of staff from bus station, could I ask if the Cabinet Member has reviewed the proposed closure of the information point and if in light of this opposition, he is now seeking alternative options for savings, other than the loss of staff at the bus station?

Response

Cllr Knowles responded on behalf of Cllr Macrae, the Prosperity Portfolio Holder, as follows :-

“We examined a variety of alternative savings proposals prior to considering the proposed closure of the information offices in both Crewe and Macclesfield Bus Stations. Whilst the service offered by the two information points has always been of a high standard – and therefore valued by the travelling public – there has been a decline in usage in recent years as other sources of travel information have become more widely used. For example, the number of hits on the council’s transport information pages on the website exceed 25,000 a year, with over 1,000 unique downloads of bus timetables each month – more than 30 a day – and these sources of information are growing significantly with each passing month.

I accept that not every person has easy access to the internet yet; so we have put in place plans for a direct link to the Traveline telephone information service. This service – which will be free to use for the general public – will provide up to date travel information, so that users who may find it difficult to access timetables and other information on their telephones or via the internet will still be able to speak to an experienced travel information advisor.

In terms of the general upkeep of Macclesfield Bus Station – the council has engaged outside contractors since the bus station was built to ensure that it is kept in good condition, that public lavatory facilities are well maintained and presentable, and that any damage is swiftly rectified. These arrangements will continue following closure of the information office, so I see no reason why the information office closure would have an adverse effect on the condition of the bus station.”

(4) Funding For Child Poverty Local Duties 2010/11

Cllr Flude had submitted the following question:-

The Child Poverty Act, which received Royal Assent in March 2010, introduced a statutory requirement for responsible local authorities and their named partners to:

Make arrangements to cooperate to reduce and mitigate the effects of child poverty in their local areas.

Prepare and publish a local child poverty needs assessment.

Prepare a local child poverty strategy based on a needs assessment and in consultation with children, parents and organisations representing children and parents.

Cheshire East will receive £39,900 in the Area-Based Grant from the Autumn, a non-ring fenced grant which is administered by the Department for Communities and Local Government.

Have Children's Services received the grant?

When is it expected that the Child Poverty Needs Assessment will be published?

Response

Cllr Brown, the Performance and Capacity Portfolio Holder responded as follows :-

Response to first part of Question: Have Children's Services received the grant?

The Child Poverty grant from the Department for Communities and Local Government has been received by the Performance and Partnerships team who have corporate responsibility to produce the Child Poverty Needs Assessment and Strategy, working with the Children's Services Directorate. The funding is to be used to 'focus capacity and resources on understanding needs in local areas to re-prioritise and re-focus local services accordingly' (Child Poverty Unit, 2010). This funding is received in monthly increments until the end of the current financial year.

It is intended that this funding will be used to consult with:

- · Children
- · Parents
- · Groups that represent children and parents within identified priority areas and groups i.e., out-of-work families, in-work families, lone parents, families in temporary accommodation, children living in families with disabled parents, children with disabilities, black and ethnic minorities.

Response to second part of Question: When is it expected that the Child Poverty Needs Assessment will be published?

It is our intention to produce both the Needs Assessment and a draft Strategy in parallel by the end of March 2011. This will be followed by public consultation for 12 weeks in order to complete the final Strategy by June 2011. The suggested date for the needs assessment to be made publicly available is by the end of April 2011.

The strategy will cover a 3 year period as required by the Child Poverty Act 2010. The Strategy must identify targets and actions to minimise socio-economic disadvantages within local areas. In order to produce this strategy, a Needs Assessment must be completed to identify which groups are at risk or disadvantaged, and the impacts of policy for each group.

A working group is overseeing the development of the Needs Assessment, based on the framework provided by the Child Poverty Unit. This framework has four 'building blocks' – financial support; place and delivery; employment and skills; family and life chances.

(5) Winter Deaths

Cllr Flude had submitted the following question:-

In the winter period (December to March) of 2009/10 there were an estimated 25,400 more deaths in England and Wales, compared with the average for the non-winter period this was a decrease of 30 per cent compared with the number in the previous winter, but is slightly higher than the level seen in 2007/08. Females experience greater excess winter mortality than males: in 2009/10 there were 10,600 excess winter deaths in males and 14,800 excess winter deaths in females. The greatest increase in deaths each winter is in the elderly population. In the winter of 2009/10 there were 20,600 more deaths among those aged 75 and over, compared with levels in the non-winter period. In contrast, there were 4,900 excess winter deaths among those under the age of 75.

The number of extra deaths occurring in winter varies depending on temperature and the level of disease in the population. The winter of 2009/10 was the coldest since 1995/96 (The Met Office, 2010)

The reported numbers of winter deaths in Cheshire East 2009/ 2010 was 220.

Weather conditions have been exceptional so far in December.

Will the Leader of this Council assure Members that across all of this Council's services there is close co-operation in the provision of services to our many vulnerable residents?

Will he also assure this Council that there is close co-operation between the Council and our many partners who also provide services to vulnerable residents in Cheshire East?

Response

Cllr Domleo, the Adult Services Portfolio Holder responded as follows:-

A copy of the Adults, Community, Health and Wellbeing briefing note "RADAR Special- 9th December" has been distributed to all the staff in our directorate and to CE Members. This issue of RADAR provides a summary of recent reminders etc to staff on this issue and reinforces some of the carer support available in CEC.

Please be assured that our contracts team regularly liaise with independent sector agencies and residential/ nursing homes during periods like we have experienced to ensure there are no concerns with regards continuity of service and support for individuals.

In the event staff cannot get to people or concerns are noted our social work teams would be immediately notified, for urgent assessment and appropriate action.

This is regularly monitored and staff teams are reminded to alert senior management if there are any difficulties delivering our own services or where there may be difficulties with the independent/third sector.

To date we have not experienced any significant disruption, other than the odd day lost at a day service, due to heating failure.

These extreme conditions do put pressure on the hospitals and we see a rise in admissions. The whole system becomes under significant pressure to discharge people with additional support etc. Our teams have worked hard to minimise any negative impacts and pressure on hospital beds and despite the hospitals being on 'red', the system is moving. Additional out of hours support is being put in place.

We do have contracts with Crossroads, the British Red Cross and Age UK to support people, including emergency carer schemes and support from hospital to home-which will include ensuring peoples heating is on/food is in/medication available etc. Our hospital teams work closely with health partners to monitor those who may be at high risk on discharge.

For those on a direct payment, a contingency plan would be agreed at outset, to agree how support could be offered, should the main carer not be available for whatever reason. Should any contingency plan break down, our social work teams would be alerted and we would respond accordingly to ensure the individual was not at risk.

Emergency respite is also available at our Community support Centres and Care4CE are currently providing a crisis response service, should we need to commission.

(6) Risk Assessment Adult Services Budget

Cllr Flude had submitted the following question:-

The changes and cuts in the Welfare Benefits System by the ConDem government will have a direct effect on the Adult Services Budget in this Council.

The report Expectations & Aspirations Public attitudes to towards social care.

Research in advance of the ConDem government green paper on social care the Institute for Public Research and Pricewaterhouse Coopers found reluctance towards greater family responsibility for the funding and providing care.

Examples of pressure that Cheshire East Adult Care Budgets will experience.

Many older people who live in Extra Care Housing are in receipt of Housing Benefit as are people with Learning Disabilities in housing networks.

The Transition of young people from Children's Services to Adult services.

The removal of the mobility component of the Disability Living Allowance for the profoundly disabled who reside in residential or nursing homes.

Support to Carers.

Mental Capacity Act [Advocacy]

There are, at this time, 92 older people who have run out of their own funding and are being supported by this Council to fund their residential/Nursing Care £2.3million pounds.

At this time there are serious overspends in Adult Services Budgets 2010/11.

These factors and many more add to a High Risk in Adult Services Budget in 2011/ 2012.

Has the Borough Treasurer carried out a risk assessment to ameliorate the possibility of an overspend of this magnitude and what was the outcome of that risk assessment?

Response

Cllr Domleo, the Adult Services Portfolio Holder responded as follows:-

The pressures being reported within the Adults care budgets mirror those being experienced elsewhere in the country (46% cost increases over eight years nationally between 2000/01 and 2007/08), with the addition that the growth in Cheshire East's elderly proportion is above average, so cost pressures arising from those who require larger and more costly care packages are having a greater impact. Recent analysis highlights increasing costs upwards of £4m (6%) per annum. One of the factors continuing to affect the bottom line position is the individual's ability to contribute towards the cost of their care, with increasing numbers being returning self funders and this burden is falling on Cheshire East, which is likely to increase further as changes to benefits nationally bite further in this area.

In setting the budget for 2010/11 the Department anticipated a continued ability to generate reductions of over £3.8m in addition to reductions in 2009/10 of £3.9m and allowing for a modest level of growth of £0.4m. In setting such an ambitious target for the Department the Borough Treasurer and Head of Assets recognised the risk via developing the Council's Reserves Strategy, specifically noting Budget Pressures of just under £12m within the report. The position on reserves, overall spending pressure and remedial action plans is kept under regular review and also shared with Members via the reports prepared by the Borough Treasurer and Assets.

During the year the Department has already taking substantial mitigating action to help reduce the overall spending pressure. Actions include accelerating the reviews of individual's care packages, procurement savings through negotiations with providers, increasing the numbers who receive a Direct Payment at a lower cost and further rationalisation of social workers, staff and buildings within Care4CE provider settings.

In summary the Department is experiencing unprecedented growth in demand, which is mirrored elsewhere in the country, whilst continuing to transform services to facilitate personalisation and reablement. In addition the changing income profile of individuals is also affecting the Department with fewer self funders, and the impact of benefit changes also likely to impact on the overall financial pressures. In setting the budget the Council both assessed and took account of the risk across the Council within its reserves and the Department continues to take remedial action to reduce the overall overspend.

(7) Domiciliary Care

Cllr Rhoda Bailey had submitted the following question:-

“Now that domiciliary care is being outsourced, what controls are being put in place to ensure that proper standards of care will be maintained?”

Response

Cllr Domleo, the Adult Services Portfolio Holder responded as follows:-

Firstly thankyou for raising this important question.

Domiciliary Care support arrangements are monitored through reviews with people to ensure that support is meeting their needs and that there are no issues of concern arising. On support plans, helpful telephone numbers are in place to ensure that people know who to ring should they have a concern. Additionally support plans take account of potential risks and solutions that could be put in place and/or emergency plans should these require enacting. Carer Assessment and Crisis Support arrangements are in place.

We work closely with our providers and we meet regularly with them and some of the areas that we have covered this year are: Personalisation, Recruitment and Retention, Training, Registration, Safeguarding,etc. We make sure that they understand the importance of making a real difference to people's lives.

We regularly raise through the media the importance of raising concerns with the Council about services and vulnerability of our citizens. This is very important to us. We also recognise the role of members as advocates for their constituents and would want any concerns about vulnerability or services in their area reported to us.

83 LEADER'S ANNOUNCEMENTS TO COUNCIL

The Leader reported to Council upon two matters as follows

1. The first announcement related to recent Cabinet changes. The former Portfolio Holder for Resources was no longer a Cabinet member and the Leader had assumed responsibility for all Resources Portfolio responsibilities and powers.
2. The second announcement related to urgent action taken under Council Procedure Rules 18 & 25 of the Constitution on 27th October. The Leader was required to inform Council of Key Decisions taken during the previous quarter, where it had not been possible to include details on the Forward Plan. There had been one such decision during the last quarter, this relating to the acquisition of land at Crewe. Members had received separate notification of this matter, on 29th October. As the matter was, commercially sensitive the Leader did not provide further details. However, the Leader referred to correspondence already sent out to Members, which provided further information and that they should, therefore, rely upon this if more detail was needed.

The meeting commenced at 2.00 pm and concluded at 3.20 pm
Councillor G Baxendale (Chairman)

CHAIRMAN

This page is intentionally left blank

**Notice of Motion Submitted by Councillor J Macrae to Council on
24 February 2011**

Following recent and further projected rises in the retail costs of petrol and diesel fuel due both to world oil prices and U.K. Government taxation and duty increases,

"Cheshire East Council resolves to lobby government and H.M. Treasury to urgently review and amend current policies to ensure that planned increases are moderated.

Cheshire East Council is increasingly concerned that the continuing rises in fuel costs will seriously impact on the economic recovery locally and within the sub-region, particularly our SME's, transport providers and the sustainability of rural communities."

This page is intentionally left blank

Notice of Motion Submitted by Councillor R Menlove to Council on 24 February 2011

Background

The Council is again responding to the challenge of severe winter weather and our communities have benefited from the efforts to keep our roads and footways open and safe for all travellers.

Severe winter freeze-thaw conditions have manifestly damaged our road surfaces and early indications are that the damage will be very significant by the end of this winter unless steps are taken to arrest deterioration immediately. Whilst it is expected that during winter months the number of defects will increase, the current levels of potholes, an eight fold increase in January, and extent of carriageway deterioration is far beyond the resources available for road maintenance.

Following last year's severe winter extra central government funding of £860,000 was made available for road repairs. Most of this money was invested in permanent repairs rather than filling pot holes.

Although the true picture of the damage is still unfolding and the position will continue to change over the coming weeks, the Council's Engineers have been assessing the types and locations of damage to the network and already know the location of carriageway defects and areas where we can usefully intervene with permanent reinstatement of road surfaces to stop further deterioration.

Motion

That Council endorses the following actions:

- **immediate investment of up to a further £500,000 in reactive maintenance gangs to clear any back log of defects and keep our roads open and safe – this will be managed as part of the Council's overall financial position, despite the significant pressures on general balances at the present time**
- **capital investment is made in the road network across the Borough to ease a strained situation and stop further deterioration in key areas in the future – this will be prioritised, in the planning of the spending of the Local Transport Plan allocation for 2011/12; and**
- **a submission will be made to central government to request significant financial support, at least to the level of last year's winter impact grant, given the evident major damage to road surfaces and the challenges of meeting the required expenditure from the Council's resources**

This page is intentionally left blank

COUNCIL MEETING – 24TH FEBRUARY 2011**Extract from the Minutes of the Cabinet Meeting on 14 February 2011****MINUTE 135 BUSINESS PLANNING PROCESS 2011/14 BUDGET REPORT**

During consideration of this item Councillor Dorothy Flude declared a personal interest by virtue of being a member of the Schools Forum.

Consideration was given to the Council budget for 2011/12 which had been produced following engagement on the pre budget report issued in January. The budget set out in detail the spending plans and income targets for the financial year starting 1 April 2011, as well as financial estimates for the next two financial years.

At the time the report had been prepared the final formula grant allocations remained to be confirmed; it was reported that there had been no change to the allocations.

The budget was due to be considered by the Council at its meeting on 24 February 2011, and the Cabinet made its recommendations as follows:-

RESOLVED

1. That the results of the Budget Engagement exercises undertaken by the Council, detailed in Appendix A, be noted.
2. That the comments of the Borough Treasurer and Head of Assets (Chief Finance Officer), regarding the robustness of estimates and level of reserves held by the Council based on the budget detailed in Appendix B (Comment from Borough Treasurer) be noted.
3. That Council be recommended to approve the 2011/2012 Budget Report, detailed in Appendix B.
4. That Council be recommended to approve the three-year Capital Programme for 2011/2012 to 2013/2014, detailed in Appendix B, paragraphs 52 to 63 and Annex 6.
5. That Council be recommended to approve a Band D Council Tax of £1,216.34, this being no change from 2010/2011.
6. That Council be recommended to approve the Reserves Strategy, detailed in Appendix B, Annex 8.
7. That the 2011/2012 non ring fenced Specific Grants (excluding Dedicated Schools Grant) be agreed, detailed in Appendix B, paragraphs 18 to 22, and that Portfolio Holders be authorised to agree any necessary

amendment to particular grants within their area of responsibility in the light of further information received from Government Departments or other funding bodies.

8. That the 2011/2012 Dedicated Schools Grant of £229.6m and the associated policy proposals, detailed in Appendix B paragraphs 23 to 33 and Annex 6, be agreed.

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting:	14th February 2011
Report of:	Borough Treasurer & Head of Assets and Head of Policy & Performance
Subject/Title:	Business Planning Process 2011/2014 – Budget Report
Portfolio Holders:	Councillor Fitzgerald / Councillor Brown

1.0 Report Summary

- 1.1 The Cheshire East Council Budget for 2011/2012, has been produced following engagement on the Pre-Budget Report that was issued in January 2011.
- 1.2 The Budget Report sets out, in detail, the spending plans and income targets for the financial year starting 1st April 2011, as well as financial estimates for the 2012/2013 and 2013/2014 financial years.
- 1.3 The 2011/2012 Budget will be reported to Cabinet on 14th February 2011. Any changes made as part of this process will be amended in the final report made available to Members ahead of the Council meeting on 24th February 2011.
- 1.4 At the time of writing, the Local Government Finance Report for 2011/2012 had been published on 31st January 2011. This contains final formula grant allocations which are reflected in the attached documents. However, the figures are not confirmed until approved by Members of Parliament following a debate in the House of Commons on 9th February. Should there be any changes they will be notified at the Cabinet meeting.

2.0 Decision Requested

- 2.1 Note the results of the Budget Engagement exercises undertaken by the Council (Appendix A).
- 2.2 Note the comments of the Borough Treasurer and Head of Assets (Chief Finance Officer), regarding the robustness of estimates and level of reserves held by the Council based on this budget (Appendix B, Comment from Borough Treasurer).
- 2.3 Recommend the 2011/2012 Budget Report to Council for approval (Appendix B).
- 2.4 Recommend the three-year Capital Programme for 2011/2012 to 2013/2014 to Council for approval (Appendix B, paragraphs 52 to 63 and Annex 6).
- 2.5 Recommend a Band D Council Tax of £1,216.34 (no change from 2010/2011) to Council for approval.
- 2.6 Recommend the Reserves Strategy to Council for approval. (Appendix B, Annex 8).
- 2.7 Agree the 2011/2012 non ringfenced Specific Grants (excluding DSG) (Appendix B, paragraphs 18 to 22) and agree that Portfolio Holders be authorised to agree any necessary amendment to particular grants within their area of responsibility in the

light of further information received from Government Departments or other funding bodies.

- 2.8 Agree the 2011/2012 Dedicated Schools Grant (DSG) of £229.6m and the associated policy proposals (Appendix B paragraphs 23 to 33 and Annex 6).
- 2.9 Authorise the Children and Family Service Portfolio Holder to agree any necessary amendment to the DSG position in the light of further information received from DfE, pupil number changes and the actual balance brought forward from 2010/2011.
- 2.10 Recommend the Prudential Indicators for Capital Financing to Council for approval. (Appendix B, paragraphs 62 and 63 and Annex 5).
- 2.11 Note the risk assessment detailed in Appendix B, paras 82 to 84 of the report and Annex 7.

3.0 Reasons for Recommendations

- 3.1 In accordance with the Budget and Policy Framework Rules of Procedure, Cabinet will approve the Budget for 2011/2012 on 14th February 2011. At the same meeting, the Cabinet will receive the final Formula Grant Settlement (subject to approval by Members of Parliament) and the draft Capital Programme. A copy of the budget report is attached in Appendix B.
- 3.2 The Borough Treasurer and Head of Assets (Chief Financial Officer) reports that, in accordance with Section 25 of the Local Government Act 2003 and Sections 32 and 43 of the Local Government Finance Act 1992, she is satisfied with the robustness of the estimates making up the Budget Requirement of £249,015,000 and she is satisfied with the adequacy of the financial reserves for the Council.

4.0 Wards Affected

- 4.1 Not applicable

5.0 Local Ward Members

- 5.1 Not applicable

6.0 Policy Implications including – Carbon Reduction – Health

- 6.1 The report outlines policy proposals which will impact on service delivery.

7.0 Financial Implications (Authorised by the Borough Treasurer)

- 7.1 The report includes details of policy proposals which will affect service budgets from 2011/2012 onwards.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 The Council should have robust processes so that it can meet statutory requirements and fulfill its fiduciary duty.

9.0 Risk Management

- 9.1 The steps outlined in this report significantly mitigate the four main legal and financial risks to the Council's financial management:
- The Council must set a balanced Budget
 - The Council must set a legal Council Tax for 2011/2012
 - The Council should provide high quality evidence to support submissions for external assessment.
 - That Council borrowing will comply with the Treasury Management Strategy which is underpinned by the Prudential Code.
- 9.2 A risk assessment of the individual proposals over £100,000 being put forward will be carried out by each directorate.

10.0 Background and Options

- 10.1 The Business Planning Process was agreed by Cabinet in July 2010. This report provides an update on events, details of the Budget Report and the next steps.
- 10.2 Following approval the Business Planning Process was launched at a Member Briefing session on 23rd July. Detailed guidance was subsequently issued to all senior managers and Members.
- 10.3 Between August and February a significant amount of activity has taken place to reach the Budget Report position.
- 10.4 This report includes two appendices which provide all the detail behind the 2011/2012 budget:
- Appendix A: The Budget Engagement Report.
 - Appendix B: The Budget Report for 2011/2012 (including the Reserves Strategy for 2011/2012).

11.0 Access to Information

- 11.1 The background papers relating to this report can be inspected by contacting the report writers:

Name: Lisa Quinn
Designation: Borough Treasurer and Head of Assets
Tel No: 01270 686628
Email: lisa.quinn@cheshireeast.gov.uk

Name: Vivienne Quayle
Designation: Head of Policy and Performance
Tel No: 01270 685859
Email: vivienne.quayle@cheshireeast.gov.uk

This page is intentionally left blank

Appendix A

BUDGET ENGAGEMENT PROCESS

1. Cheshire East Council completed the Budget Engagement process for the 2011/2012 Budget from 19th January to 24th February 2011, where it was able to share budget proposals with stakeholder groups and meet the relevant statutory and best practice requirements.

Background

2. Local authorities have a statutory duty to consult on their Budget with certain stakeholder groups such as the Schools Forum and businesses. In addition, the Council chooses to consult other groups, including, partners, third sector organisations, Trade Unions, Cheshire Police Authority and Cheshire Fire and Rescue Authority.

Business Planning Process

3. In July 2010, the Cheshire East Cabinet agreed a comprehensive Business Planning Process, designed to align priorities with resource allocation. The process included outline details of the stakeholders and the need for an engagement process. A two stage approach was confirmed for 2011/2012:

Round 1 – held in autumn 2010

Round 2 – held in January and February 2011

4. The strap line of '**Our People, Our Place**' was chosen for the events and further work was undertaken to develop their format and content.

Round 1

5. Round 1 of the engagement exercise used existing meeting structures and newsletters to provide a briefing on the Comprehensive Spending Review and the implications for the Council. Some of the key dates in October and November are set out below:

- | | |
|---|---|
| <ul style="list-style-type: none"> - 22nd & 28th October - 21st October - 21st October - 22nd October - 27th October - 29th October - 2nd November - 3rd November - 4th November | <ul style="list-style-type: none"> Manager Conferences Policy Briefing Paper to all Members
(attached at Annex 1) Opposition Leaders Briefing Staff Newsletter Overview and Scrutiny Budget Consultation Group Business Planning Briefing to all Members Letter to all staff from the Chief Executive Senior Manager Meeting Partnerships for Action in Cheshire East Executive |
|---|---|

Round 2

7. Round 2 of the Our People, Our Place engagement took place in January and February 2011 as follows:

- | | |
|--------------------------------------|--|
| - Tuesday 18 th January | All Members Briefing |
| - Wednesday 19 th January | Pre Budget Report available for all staff and stakeholders |
| - Thursday 20 th January | Partners / Third Sector Meeting |
| - Friday 21 st January | Trades Unions / Staffing Committee |
| - Tuesday 25 th January | Schools Forum Meeting |
| - Wednesday 26 th January | Business Breakfast Meeting |
| - Thursday 27 th January | Town and Parish Councils Meeting |

Engagement Material

8. The key purpose of the second round was to engage on the Council's Pre Budget Report. The Pre Budget Report was introduced last year as an innovative way of presenting the Council's financial position, key service developments and impact of the budget in a user friendly and readable format. The document was well received last year and has been further enhanced for 2011/2012. The Pre Budget Report was circulated in advance of the meetings and made available to delegates at each event. Staff were also notified that it was available.
9. The Pre Budget Report was placed on the Cheshire East Council website on 19th January. The website included details of how to comment on the issues.

Format of the January Meetings

10. The events took a similar format with presentations followed by group discussions or question and answer sessions. The presentations related to:
- The funding position.
 - The Business Planning Process.
 - Key policy revenue and capital proposals in the Pre Budget Report.
11. The Cheshire East Council Cabinet and Corporate Management Team were well represented, with the Leader of the Council and Chief Executive attending most of the events.

Feedback

12. A summary of issues raised at the events is attached at **Annex 2**.

Where Next?

13. Cabinet Members have given a clear undertaking to further improve consultation and engagement arrangements and a review will be undertaken for next year.

Conclusion

14. Cabinet Members reviewed all the feedback from the events and, where possible, have factored these into their detailed budget deliberations. Some of the feedback will assist with setting out proposals for the 2012/2013 Budget where it is expected that further savings will need to be made as a result of a further decrease in Government support.

Comprehensive Spending Review (CSR) - Policy Briefing

Issued on 21st October 2010

Headlines

CSR - 7.1% annual cut to Communities budget

1. Overall savings in funding to councils of 7.1% per year for four years.
2. End to ring-fencing of all local government revenue grants from April 2011 with the exception of simplified schools grants and a public health grant.
3. Reduction in the number of separate core grants to local authorities from over 90 to fewer than 10.
4. Grant funding for social care increased by an additional £1 billion by 2014/2015.
5. A further £1 billion for social care provided through the NHS to support joint working with councils
6. Community budgets will be established in 16 local authority areas to pool departmental budgets for families with complex needs including Westminster
7. New Homes Bonus to give councils financial incentives to ensure that local communities benefit from new housing and economic development.
8. Councils will no longer have to report on 4,700 local area agreement targets.
9. Funding in all 4 years to enable a council tax freeze in 2011/2012
10. Use of personal budgets extended.
11. Tax Increment Finance powers introduced, allowing councils to fund key projects by borrowing against future increases in locally collected business rates Details to come in White Paper on local growth.
12. Councils will have greater flexibility to manage council tax together with direct control over Council Tax benefit, within an overall budget that will be reduced by 10% from April 2013.
13. New payment mechanisms (payment by results) for prisons, probation, and community health services.
14. £1.6 billion CLG funding to be devolved to Local Government.
15. Capital funding from all departments to councils will fall by around 45% over the Spending Review period. The Government will prioritise capital investment on areas of greatest economic value, such as high value local transport
16. In 2011/2012, £200 million will be available to councils to accelerate reforms of local services.

CSR - Government will fund council tax freeze

17. The CSR announced that local authorities who freeze their council tax next year will be refunded at a rate of 2.5% per year.

CSR - Reforms to housing mean social tenants will pay more

18. The Chancellor announced new reforms which will result in all new social tenants paying higher rents for properties, up to 80% of market value.

CSR – Other announcements

19. The numbers of ringfenced council grants will be drastically reduced. Also announced was a £200m fund for councils to accelerate reforms of local services.
20. Pooled budgets will be rolled out in 16 areas, including Westminster, from next year.
21. The settlement includes funding to support the Big Society, including pilots for the National Citizen Service

Most voters say the cuts are "unavoidable"

22. A YouGov poll released this morning said that 60 per cent of people think cuts are inevitable but opinion is split of the speed and depth of cuts.

Government borrowing reaches record high

23. Office for National Statistics figures show the government borrowed £15bn in September - the highest ever.

Our People, Our Place – Budget Engagement

Summary of Key Engagement Issues

Financial Stability

Council Tax Freeze

Confirmation that in return for freezing Council Tax for 2011/2012 the Council will receive the grant for four years.

Inflation

The Council is not providing for a general inflationary increase in 2011/2012 on the basis that the significant funding reductions are leading to cash based budgeting. Any inflationary pressures have to be absorbed by services. The Council is monitoring the situation and has created a contingency for unavoidable inflationary commitments of £1.9m.

Single Person Discount

This was a compliance issue with no change in the discount.

Business Rates

The Council had no control over the amount of business rates it retained but was lobbying to improve the situation.

Grants

The results of the settlement had not been as bad as initially expected however, in some cases information was still awaited.

Reserves

It was essential for the Council to keep a minimum level of reserves based on a risk assessment. Any planned use had to be repaid over time to maintain levels.

Value for Money

Noted the spending power per head figures quoted by Central Government placed Cheshire East at £753.31 compared to the England average of £1,007.21. In terms of school funding and the Guaranteed Unit of Funding (GUF) Cheshire East receives £4,695.01 compared to the national average of £5,082.53.

Our People

Commissioning Services

Acknowledged the potential pressure on the third sector and charities as funding levels reduce. Need to work together on commissioning services and making savings.

In some cases there was a preference for smaller, local commissioning arrangements.

Acknowledged opportunities for making the most out of visits to homes from Fire staff etc

Reductions in Grant Funded Services

Noted impact on staff who provided those services but it was now down to schools to determine the type and levels of service required.

Changes in Services to Adults

Significant funding had been provided to meet the growth in demand.

The Council has a very strong commitment to personalisation.

The Council had a policy of only providing funding to meet needs that were assessed as critical or substantial as it could not afford anything else. All clients were being reviewed and may experience a change in service levels as a result.

The Council was willing to work with partners on prevention but was not able to provide additional funding.

The financial impact of preventative work was very significant.

Leisure Centres

These have a key role to play in keeping people active so they do not need care from the Council and will be used to provide more targeted services to individuals through the lifestyle concept. This will increase income levels and mean the facilities are financially viable.

Closer working over public health with the health service meant there was huge scope for improvement in this area.

Youth Support

The future of youth support and advice is currently being discussed and cannot be commented on at this time.

Our Place

Waste

The collection service for recyclables is being reviewed and an improved service will be introduced.

Road Maintenance

Noted concerns over the new Highways contract in terms of influence and policy direction. Also lessons would be learnt from other parts of the country. There were also queries over how to contact the Council regarding faults.

Car Parking Charges

Some of our partners fully appreciated the need for charging and highlighted the link between charges and bus use.

Road Safety Reductions

Clarification this was not a reduction to road safety levels but a saving from new ways of working. The Council remain committed to improving road safety.

Planning

Mix of concerns but process was ongoing and detailed issues would be addressed such as use of green belts and agricultural land etc.

All views would be listened to - make use of parish plans where possible.

Systems continued to be developed and improved.

Regeneration

There remained scope for closer working with the Chambers of Commerce in terms of support to small and medium sized enterprises and removing any duplication of effort.

It was agreed the Council would maintain a list of courses on offer to businesses that set out what businesses would gain by attending.

Businesses were asked to comment on the draft “engaging with businesses” document on the Council’s website.

Supporting Service Delivery

Local Service Devolution

Workshops would be held in February and March to clarify the way forward and understand the level of interest.

Budgets for Local Working

Confirmation the 2010/2011 budget allocation was in the base but no additional funding was included in the Pre Budget Report.

£625k was set aside in the Reserves Strategy for pump priming work in Parishes.

Energy Prices

The Council has an invest to save programme which has allocated funding to several energy reduction projects. These are being targeted at the heavy use areas.

Procurement

The Council was actively improving its procurement methods through better information and economies of scale etc.

This page is intentionally left blank



Budget Report

2011 / 2012

Our People, Our Place

February 2011

Contents

	Page
Foreword by Cllr Wesley Fitzgerald	2
Comment from the Borough Treasurer	3
Overview	4
Introduction – Getting the most from this report	6
1 - Financial Stability	8
2 - Our People	26
3 - Our Place	36
4 - Supporting Service Delivery	42
5 - Budget Impact	50
6 - Summary of Business Planning Process 2011/2012	55
Annexes	
1. A Profile of the Authority	59
2. Grant Funding Position 2011/2012	62
3. Balancing the Three Year Budget Position	66
4. Minimum Revenue Provision	71
5. Prudential Borrowing Indicators	73
6. Service Budget and Capital Details	78
7. Risk Analysis	100
8. Reserves Strategy 2011/2014	101
9. List of Abbreviations	123

Foreword by Cllr Wesley Fitzgerald



I am pleased to present Cheshire East Council's Budget for 2011/2012.

I attended a number of engagement events in January, following the publication of the Pre Budget Report. And I'd like to thank our stakeholders for their attendance and constructive remarks. It is clear to me that the challenges facing the Council, while not unique, are understood and our approach is being recognised as appropriate and necessary.

The budget focuses on the Council's aims despite the pressing need to reconcile a reducing grants position against a rising demand for services. The population is generally ageing, requiring more care, but the demand for the protection of our young people has also increased and the weather is seriously affecting the condition of our road network.

The Council is well prepared, we have restructured and transformed services to create real efficiencies over the last two years. This approach continued over the autumn and early winter as the Cabinet and Management Team have worked at reducing the impact on services and the transformation will continue in order to deliver the budget whilst protecting front line services.

The Council's decision to accept a proposal from government to freeze the Cheshire East Council Tax will be welcome news to residents. The Council will receive a grant, allowing us to keep council tax at the 2010/2011 rates.

But in response to the low supply of property in the area there is going to be a reduction in discounts on second homes and homes that are left empty for long periods. And in some service areas charges may rise.

We will continue to transform services to provide essential funding for front line services, we will strive to make each pound go further. The Community Strategy, "Ambition for All," sets out how Cheshire East could look over the next 15 years. This will be achieved through co-ordinating effort in the local area.

Our seven priorities as an area are to:

- Nurture strong communities
- Create conditions for business growth
- Unlock the potential of our towns
- Support our children and young people
- Ensure a sustainable future
- Prepare for an increasingly older population
- Drive out the causes of poor health

2011/2012 will be a key year to engage with the government to ensure they recognise the potential in Cheshire East. We are responding positively to proposals for changes in the structure of local government funding. We believe changes can be made to increase accountability to the local area, its businesses and its citizens. We recognise that delivering high value, low cost council services is essential to this aim.

Using government comparisons the spending power for Cheshire East Council is only £753.31 per head, this compares to an England average of £1,007.21. Value in Cheshire East is already high, but we will continue to do more.

The spending of local funding in this budget is based on the needs of local residents. I look forward to continuing our work with local partners and businesses to maintain Cheshire East's position as a prosperous place with great potential.

Cllr Wesley Fitzgerald

Leader of the Council
& Portfolio Holder - Resources

Comment from the Borough Treasurer



The Cheshire East Council Budget for 2011/2012 includes significant savings proposals. This always presents a risk in how completely such savings can be realised.

My role as Chief Finance Officer (CFO) involves supporting services to maximise value to customers whilst working to control spending within agreed limits. This is a statutory role and all CFO's have recently received a letter from CIPFA, reinforcing the statutory background to this role.

I have a responsibility to report on the robustness of the estimates contained within this budget. The Council has managed an intense process to scrutinise proposals for the 2011/2012 Budget from June 2010 to February 2011.

Officers and Members, as well as key stakeholders have been involved in the budget setting process. **Chapter 6** of this Report provides a breakdown of the engagement process associated with the production of the budget. I am satisfied that the final estimates, although ambitious, are robust.

The key financial risks facing the Council in 2011/2012 include:

- Outturn spending in 2010/2011
- Increasing demand for services
- Low opening Reserve levels
- Falling Grants and the overall review of local authority finance
- Rising inflation

Each risk is being addressed. For example, quarterly monitoring reports to Cabinet have established mitigating actions in relation to spending in 2010/2011. Services demands are being met by growth proposals, particularly in Services for Adults

The Reserves Strategy, established in 2009/2010, remains effective, and has supported payments in advance for invest

to save projects such as the energy reduction programme.

The Government aim to reduce grants to Local Authorities by over 25% within 4 years. With this target in mind this budget also contains provisional estimates for 2012/2013 and 2013/2014 (see **Annex 6**).

Cheshire East Council is not as dependant on government grants as many local authorities, but any reduction still has an impact. The projections for the next three years demonstrate that estimates contained in the 2011/2012 budget are essential and will greatly assist the Council in establishing longer term financial stability.

Inflation is currently higher than government targets. This budget reflects inflationary increases within services where it is already anticipated and a contingency has also been established for additional in-year inflation.

The Council has an established approach to balancing its budget using five measures that demonstrate where choices are made. This is summarised in **Annex 3**.

Finally, a comment on reserves. The opening balance of reserves is expected to be below the level of risk. This budget therefore proposes repayments to reserves as well as the reduction in the number of earmarked balances.

After reviewing all of the supporting material I am satisfied that the estimated level of expenditure matches the level of income, this includes the necessary repayments to reserves. The Reserves Strategy has been updated to demonstrate that the 2011/2012 Budget will establish adequate General Reserves for Cheshire East Council (see **Annex 8**).

Lisa Quinn

Borough Treasurer & Head of Assets
Section 151 Officer

Overview

This Budget Report outlines proposals to support the Council's vision whilst acknowledging continuing financial pressures and a reduction in funding from Government. Local demographic pressures, in particular the increasing numbers of older people, must be recognised as the Council strives to

Work together to improve community life

Key Proposals within the Budget Report 2011/2012 respond to the current challenges whilst minimising the impact on citizens. Proposals include:

- **No Council Tax Increase** ~ the Coalition Government offered funding in return for a freeze in Council Tax in 2011/2012. Therefore Council Tax will remain the same and the Authority will benefit from this time limited 'freeze' funding of £4.4m for four years.
- **Adults ~ Overall Budget increasing to recognise £10.1m of growth pressures**
 - Acknowledging the rising population of adults needing support by increasing the budget for Adult Services by £11.8m.
 - Increasing Spending in Adults, Community & Health & Wellbeing following funding transfers from the NHS.
 - Continuing re-ablement activity, reducing subsidy and continuing transformation to realise savings.
 - Lifestyle Centres – rethinking the relationship between services to Adults who receive care and the Council's recreation service, to tackle two key budget issues of reducing care costs by keeping people healthy, and generating income for discretionary, but valued services.
- **Children and Families ~ Overall Budget increasing to recognise £0.1m of growth pressures**
 - Increasing budgets to continue to provide care for looked after children
 - Reducing activity levels where acceptable and improving commissioning to reduce costs.
- **Places ~ Overall Budget Decreasing by £3.9m**
 - Supporting rising costs in roads maintenance of £300,000
 - Enhancing, and optimising refuse collection activity, whilst realising savings of £700,000
 - Total Transport - transforming the way in which transportation is delivered across Cheshire East to meet the future needs of customers, our commitment to carbon reduction and more effective and efficient public services. The three major projects behind this programme are:
 - Integrated Transport Unit project – To implement a re-designed passenger transport function into the Places Directorate to ensure the needs of residents are more readily met.
 - Highways Re-procurement – ensuring efficiency in delivery of Highway services.
 - Fleet Review consolidating the fleet operation across Cheshire East, delivering major savings, improving efficiency of service delivery and providing a more locally responsive service.

- **The Council Tax Base has been revised** due to the impact of a review of single person discounts and the decisions to reduce the discount on second homes to 10% and remove the discount on long term empty properties. **Overall this will raise an anticipated £2.1m in 2011/2012.** Support will continue to help bring empty homes back in to use to meet housing demand.
- **Supporting Service Delivery & Cross Directorate Savings ~ Decreasing Budget by £11.1m**
 - Targeting procurement savings and efficiency in business management processes.
 - Freezing pay, proposals to harmonise pay, reducing staff on-costs through salary sacrifice schemes and reducing costs of agency staff.
 - Improving use of the Council's property portfolio and energy efficiency.
 - Restructuring Democratic services to achieve optimum use of resources.
 - Rationalising Internal Audit, Partnerships, Planning & Performance and Communications teams.
 - Rationalising back office processes and changing demand in Customer Services by reducing contact and the need for face to face contact.
 - Continuing last year's commitment to support a campaign to ensure citizens receive all benefit entitlements.
- **No Supplementary Business Rates** are being levied in 2011/2012.
- **Income from charges** for Council services is estimated to **increase in line with inflation** unless stated otherwise within this document. Changes to Adults Services charging are being consulted on.
- General **reserves will increase** to an **appropriate level**.
- **Council borrowing to support 2011/2012 planned capital expenditure is estimated at £24m**, of which £16m relates to new capital schemes and £8m for ongoing capital schemes. This represents an increase of £2.3m from 2010/2011.
- The net **capital financing costs have increased to £13.9m**, 5.6% of the net revenue budget. A small increase of £0.3m over 2010/2011.

Introduction – Getting the most from this report

This section helps you to make effective use of the Budget Report by outlining the information contained within each chapter.

Main Report

Chapter	What's in this Chapter
1. Financial Stability	This section establishes how the Amount Available to Spend on Council Services is determined. It also sets out the detailed funding arrangements and economic factors that impact on the revenue and capital budgets.
2. Our People	This section highlights how the Amount Available to Spend on Council Services is allocated and spent on Our People. It also provides the overall vision and approach taken in the Adults and Children and Families Directorates to deliver services in the medium term. This is followed by details of the issues and proposals for the service areas of Children and Families, and Adults, Community, Health and Wellbeing Services.
3. Our Place	This section highlights how the Amount Available to Spend on Council Services is allocated and spent on Our Place. It also provides the overall vision and approach taken in the Places Directorate to deliver services in the medium term. This is followed by details of the issues and proposals for the service areas of Environmental Services, Safer & Stronger Communities, Planning & Housing and Regeneration.
4. Supporting Service Delivery	This section highlights how the Amount Available to Spend on Council Services is allocated and spent on Support Services. It also provides information on key services such as Legal and Finance that assist the front line directorates. The chapter sets out the purpose, issues and proposals for each area.
5. Budget Impact	This chapter provides a flavour as to the impact of the budget proposals on the Cheshire East area.
6. Summary of Business Planning Process	Details of the Business Planning Process including the engagement methods.

Annexes

Annex	What's in this Annex
1. A Profile of the Authority	A detailed statistical profile of the Council's administrative area.
2. Grant Funding Position 2011/2012	An analysis of the funding announcements for 2011/2012 and the equivalent position for 2010/2011.
3. Balancing the Three Year Budget Position	Supporting financial data to Chapter 1.
4. Minimum Revenue Position	Annual Minimum Revenue Provision Policy Statement 2011/2012
5. Prudential Borrowing Indicators	The calculations and an explanation of the Council's Prudential Borrowing rationale.
6. Service Budget & Capital Details	Detailed pages setting out the policy proposals and Capital Programme for 2011/2012 divided up into service areas.
7. Risk Analysis	Consideration of the risk factors surrounding the setting of the Budget.
8. Reserves Strategy 2011/2014	Report setting out the strategy used for calculating the required reserve levels.
9. List of Abbreviations	Details of abbreviations used in the report.

1. Financial Stability

Background

1. This section of the Budget Report focuses on the local and national influences that impact on how the Council intends to fund local services in 2011/2012 and the future.
2. Cheshire East Council is a large unitary authority in the North West of England. The Council is the third largest in the region, behind Liverpool & Manchester City Councils. However, the rural nature of the area means the challenges are different. A detailed analysis of the local area, including population statistics, is provided at **Annex 1**.
3. The Council acts responsibly to balance the needs of local people against the finances available to pay for the service levels demanded. Revenue is received or generated from a number of sources, which are set out below:

Source	Paragraphs
Government Grant Funding of Local Expenditure	4 to 33
Collecting Local Taxes for Local Expenditure	34 to 48
Charges to Local Service Users	49 to 51
Investment, Borrowing and the Capital Programme	52 to 63

Income and expenditure is also influenced by decisions and estimates of the Council in relation to:

Managing the Reserves Position	64 to 69
Other Economic Factors such as inflation & pensions	70 to 84

Each source is dealt with in turn below, with an overall summary provided on Page 24.

Government Grant Funding of Local Expenditure

4. The nature of council funding changed in 2010. On 20th October the Chancellor of the Exchequer, the Rt Hon George Osborne MP, made the following statement in delivering the Comprehensive Spending Review to Parliament:

“There will be overall savings in funding to councils of 7.1% a year for four years. But to help councils, we propose a massive devolution of financial control. Today I can confirm that ring-fencing of all local government revenue grants will end from April next year.

The only exception will be simplified schools grants and a public health grant. Outside of schools, police and the fire service, the number of separate core grants that go to local authorities will be reduced from over 90 to fewer than 10.”

5. Cheshire East receives two main types of Government grants, **Formula Grant** and **Specific Grants**. The overall total of Government Grant estimated for 2011/2012 is **£444.1m**. This represents **a reduction of £8.5m** (1.9%) in comparison to grant received by Cheshire East Council in 2010/2011. This represents an increase of £9.5m since publication of the Pre Budget Report, reflecting the up to date estimate of Council Tax Benefit and Housing Benefit.
6. On the same day as this announcement, the Secretary of State for Communities, Rt Hon Eric Pickles MP, wrote to all local authorities to confirm that 24 specific grants would be rolled into Formula Grant. If this exercise had happened in 2010/2011 it would have affected £18.6m of Cheshire East grants. The beneficial impact of rolling these grants up is to provide greater flexibility to the Council in determining the local allocation of funding.
7. This increased flexibility allows the Council to allocate funding based on local needs rather than top down targets. However, the Council still currently relies on significant government grants and the overall savings requirement will therefore impact on the Council's financial stability. This is particularly challenging given the short timescales in which these changes take place.
8. The method of calculating central Government support to the Council provides relatively low financial assistance to Cheshire East, as the calculations take account of the relative affluence of local people. The Council therefore relies on the payment of Council Tax to support service delivery, which helps to make the Council highly accountable to local service users. This is positive in many ways, as it helps to engage local residents in establishing how local services should be delivered.

Formula Grant (includes National Non-Domestic Rates - NNDR)

9. On 31st January 2011 the Department for Communities and Local Government (DCLG) announced the Finance Settlement which set out how much Formula Grant each local authority will receive from April 2011. In

2011/2012 Cheshire East Formula Grant will be **£70.3m**. This is a reduction in cash terms of £11.8m (14%) when compared to the equivalent 2010/2011 position.

10. Formula grant is a central Government allocation of Revenue Support Grant (RSG) plus income from redistributed business rates – National Non-Domestic Rates (NNDR). Formula Grant is not ringfenced, meaning the Council is solely responsible for the allocation and spending of this income.

RSG is divided into four blocks:

- i. A needs assessment – relative needs formulae – is intended to reflect the relative cost of providing comparable services between different local authorities. It takes into account characteristics such as population and social structure.
- ii. A resources element – relative resources amount – takes into account the different capacity of different areas to raise income from Council Tax due to the differing mix of properties. It is a negative amount as it represents assumed income for local authorities.
- iii. A central allocation which is the same for all local authorities delivering the same services.
- iv. A floor 'damping block' in order to protect local authorities from large grant increases or decreases. Grant changes to other Councils in the same class are scaled back in order to bring all local authorities to the appropriate floor. The damping process has been further complicated by the inclusion of banding to protect authorities who are heavily reliant on Government support.

11. **Table 1** (below) shows the split between Revenue Support Grant and National Non-Domestic Rates which is included within the Formula Grant. The table also shows the impact of government cuts in this grant.

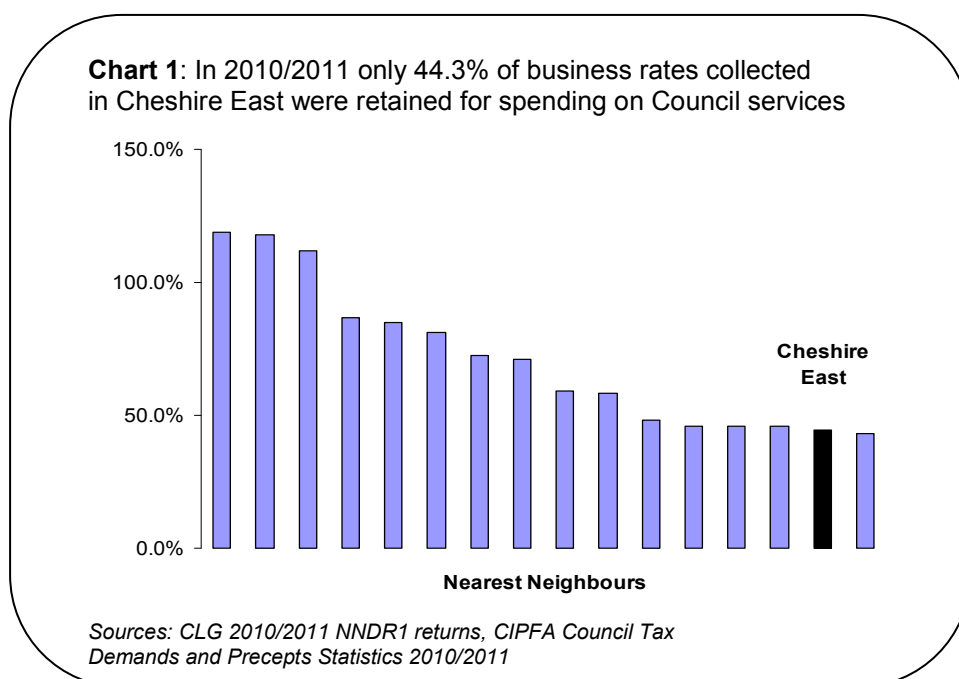
Table 1: Overall Formula Grant has reduced considerably for 2011/2012

	2010/2011 £m	2011/2012 £m	Change £m	%
Revenue Support Grant	8.1	16.6	8.5	
National Non Domestic Rates	55.4	53.7	(1.7)	
Total Formula Grant	63.5	70.3	6.8	
2010 Value of Grants Rolled in to Formula Grant from April	18.6			
Overall Impact on Cheshire East Formula Grant	82.1	70.3	(11.8)	-14.4%

Source: CLG and Cheshire East Finance

12. Cheshire East's Formula Grant per head, of £191.62, for 2011/2012 is the lowest within its group of comparable local authorities (Nearest Neighbour group). Bedford had the highest Formula Grant per head within this group at £343.05 per head.

13. National Non-Domestic Rates (NNDR) is collected from businesses in Cheshire East based on commercial rateable property values and the NNDR multiplier. The Multiplier has been provisionally set by the DCLG in line with inflation and to take account of the cost of small business rate relief. The inflation factor used is 4.6% which reflects RPI (Retail Price Index) as at September 2010.
14. The small business multiplier applied to businesses who qualify for the small business relief has been provisionally set at 42.6p in 2011/2012. The non-domestic multiplier has been provisionally set at 43.3p in the pound for 2011/2012. Bills will be issued to businesses in February 2011 after the provisional multiplier has been confirmed.
15. The amount collected is paid into a national pool and reallocated back to local authorities based on need. The element of NNDR funding retained by Cheshire East Council is low compared to the amount of NNDR collected. **Chart 1** compares the amount of rates retained against the nearest statistical neighbours.



16. Figures are not currently available for the estimated 2011/2012 NNDR yield for other authorities, however due to the centralised nature of setting Business Rates, there are no significant changes expected.
17. In a recent Government White Paper '*Local Growth: realising every place's potential*' the government sought opinion on retention of Business Rates by Local Authorities. Cheshire East Council is supportive of these proposals on the basis that further growth can be stimulated and local business can become better engaged with the Council and the local strategies.

Specific Grants

18. This relates to targeted areas of Government financial support. In 2011/2012 Cheshire East Specific Grants will be **£373.8m**. This is an increase in cash terms of £3.3m (0.9%) when compared to the equivalent 2010/2011 position.

19. The Council receives a number of grants or subsidies from different Government departments. Not all of these have been announced and information is still being received. The Council maintains a Grants Register which details this complex picture. Grants not included in the Settlement include items such as Housing & Council Tax benefit & Sixth Form funding.
20. Specific grants are split between non - ringfenced (£144.2m) and ringfenced (£229.6m). Spending in relation to ringfenced grants must be in line with the purpose for which it is provided.

Non- Ringfenced Grants

21. Following the October 2010 Spending Review and the letter from Rt Hon Eric Pickles MP it was confirmed very few grants were remaining as Specific Grants. Of these, only school grants and the new public health grant will be ringfenced. Other specific grants are not ringfenced, so although provided for a specific reason, the Council is able to determine the actual allocation and spending of such income. **Annex 2** provides further information on each remaining Specific Grant.
22. **Table 2** sets out the forecast income from non - ringfenced specific grants to Cheshire East Council using estimates where further information is still pending.

Table 2: Non Ringfenced Grants in 2011/2012 have not changed significantly

	2010/2011 Adjusted £m	2011/2012 £m	Change £m	%
Specific Grants	139.2	139.8		
Council Tax Freeze Grant	—	4.4		
Total	139.2	144.2	5.0	3.6%

Source: CLG

Ringfenced Grants

Dedicated Schools Grant (DSG)

23. The Government has announced the indicative allocations of DSG for 2011/2012 which is ringfenced. They are based on Guaranteed Units of Funding (GUF) per pupil. The Pupil numbers used in the calculation to date are based on the October 2010 Pupil Level Schools Census information. Final allocations of the 2011/2012 DSG will be based on actual pupil numbers in early 2011 and will not be known until May / June 2011.
24. **Table 3** shows the actual DSG received for 2010/2011, the estimated DSG for 2011/2012, the actual GUF (Amount per Pupil) received for 2010/2011 and the estimated GUF to be received for 2011/2012 (excluding the adjustment for Academy recoupment).

Table 3: Dedicated Schools Grant has increased to reflect mainstreamed grants

	Actual 2010/2011	Estimated 2011/2012
Dedicated Schools Grant	£200.6m	£229.6m
Amount Per Pupil	£4,110	£4,695
Figures quoted are before the Academy recoupment. Source : CLG		

25. The Department for Education (DfE) have mainstreamed £28.6m of grants in to the DSG (announced on 13th December 2010). The GUF and DSG therefore appear to have increased significantly between 2010/2011 and 2011/2012. Every local authority's GUF has increased from the 2010/2011 amount by the per pupil grant allocation received, which in effect has maintained funding levels for schools at the same level as for 2010/2011.
26. This is intended to ensure minimal turbulence between Local Authorities when mainstreaming the grants. The level of GUF for Cheshire East appears to be reasonable compared to the level of grants held previously. However, in the future, those grants will be subject to direct variation with pupil numbers, which was not previously the case. The GUF does not include any allocation for inflation which is expected to be approximately £2.3m.
27. **Annex 2** provides a summary of the overall impact on DSG and details of those grants which have been mainstreamed.

Dedicated Schools Grant (DSG) ~ Pupil Premium

28. The Government has also announced that a Pupil Premium will be introduced from April 2011, paid to local authorities by means of a specific grant based on January 2011 census figures for deprived pupils in years from Reception to Year 11.
29. The indicator for eligibility will be Free Schools Meals, and £430 for every deprived child in maintained schools and academies will be made available in the first year. Children who have been looked after for more than six months will also attract the £430 pupil premium from 2011/2012, and children whose parents are in the armed forces will attract £200 per annum. It is estimated that Cheshire East Council will receive £2m in relation to the Pupil Premium for 2011/2012.

Dedicated Schools Grant (DSG) ~ Academy Funding

30. The DfE have announced that its methodology for calculating Academy budgets will be retained for a further year. The DfE continue to be clear that becoming an Academy should not bring about a financial advantage or

disadvantage to a school but rather, enable Academies to have greater freedom over how they use their budgets.

31. The Individual Schools Budget (ISB), and the grants receivable for the new academies which opened during 2010/2011; Brine Leas, Fallibroome and Sandbach, have been removed from the total DSG award to be received. The funding for these academies of approx £17m will be recouped from the Authority's DSG as part of the academy recoupment process.
32. The local authority budget element of the Local Authority Central Spend Equivalent Grant for the number of new academies and free schools expected to convert or be established in 2011/2012 and 2012/2013 has been top sliced from formula grant in those years. The top slice is based on estimates of the number of new academies and free schools expected over the next two years.
33. Cheshire East Council's formula grant is being reduced by £0.9m. This money has not previously been recouped from local authorities and there will be no further adjustments to local authority funding in 2011/2012 and 2012/2013 as academy conversions take place in this time period.

Collecting Local Taxes for Local Expenditure

34. The amount of Council Tax charged to occupied properties in 2011/2012 will be frozen at the 2010/2011 amounts. For 2011/2012 the Band D Council Tax for Cheshire East Council will therefore remain at £1,216.34. This also reflects the acceptance of the Council Tax freeze grant. The level of Council Tax for each band is shown in **Table 4** below:

Table 4: Impact of Cheshire East Council Tax on each Band.

Band	A	B	C	D	E	F	G	H
Council Tax £	810.89	946.04	1,081.19	1,216.34	1,486.64	1,756.94	2,027.23	2,434.68
No of Dwellings	29,069	34,197	32,711	24,216	18,679	12,832	11,838	1,696

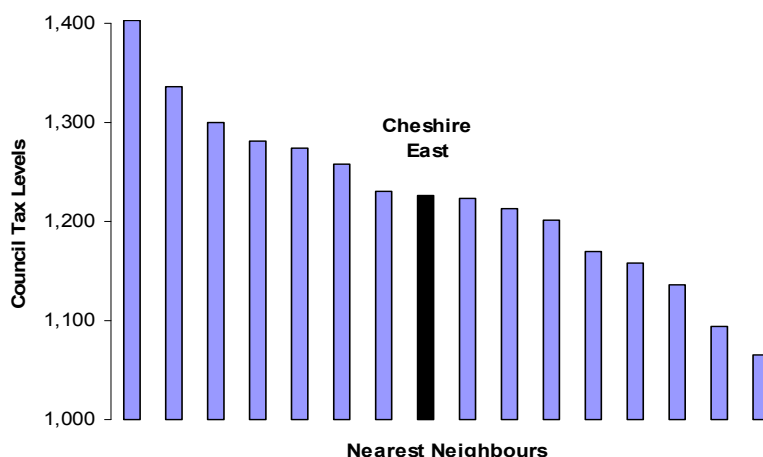
Source: Cheshire East Finance

35. However, overall Council Tax income is estimated to increase to **£178.7m** in 2011/2012 which is a rise of £2.1m compared to 2010/2011. This reflects increases in the tax base and increases the amount available for services.
36. The decision to set the level of Council Tax is normally reserved for the Members of the Local Authority, however, the Government have set up a new grant for authorities willing to freeze council tax levels. In a letter from the Rt Hon Eric Pickles MP dated 20th October 2010, the following proposal was made:

“...if you choose to freeze council tax in 2011/2012, we [the government] will fund the equivalent of a 2.5% increase in council tax that year for the Spending Review period”

37. In considering this proposal comparisons were made with nearest neighbours on Council Tax levels. **Chart 2** shows that the level of Cheshire East Council Tax is in the middle of the pack.
38. If most local authorities accept the proposal, the Cheshire East Council Tax level would remain in the middle of the pack, which is satisfactory. The Budget Report therefore includes acceptance of the government proposal. Funding from this grant has been calculated at £4.4m for 2011/2012 and is included in the Specific Grants section above.

Chart 2: Government forecasts show 2011/2012 Band D Council Tax for Cheshire East Council will be in the middle when Compared with Nearest Neighbours



Source: DCLG Provisional Settlement Reports 2011/2012

Council Tax Base

39. The Council Tax Base quantifies the number of properties from which the Council is able to collect Council Tax. The Tax Base is presented as an equivalent number of domestic properties in Council Tax Band D after adjusting for relevant discounts and exemptions. The level of Council Tax multiplied by the tax base equals the expected income from local taxation.
40. The Authority formally approved the Council Tax Base on 16th December 2010. The gross tax base for 2011/2012 (before making an allowance for non-collection) is calculated as 148,383.04. After taking into account current collection rates, a non-collection rate was set at 1%. This results in a final tax base of 146,899.21 Band D equivalent domestic properties.
41. The tax base for 2011/2012 reflects an increase of 1.19% from 2010/2011. This increase comes from 4 key areas:
 - i. New development in the area
 - ii. Fluctuations in the number of discounts awarded
 - iii. A campaign to eliminate incorrectly claimed discounts

- iv. The reduction in discount for second and long term empty properties from 25% to 10% and nil respectively.
- 42. Cheshire East has a relatively high Council Tax Base compared to its nearest neighbours. This is partly due to the much higher proportion of properties in Bands E to H in the Cheshire East area (27.3% in Cheshire East compared to the England average of 18.5%). Revenue Support Grant (see Formula Grant above) is comparatively low for Cheshire East based on the perceived high resources available from Council Tax payments.

Collection Fund

- 43. Receipts from Council Tax payers are paid into the Collection Fund which is then distributed to all precepting organisations (Cheshire East Council, Fire & Police Authorities and Local Town & Parish Councils). A predicted deficit in the Collection Fund reduces revenue funding for the following annual budget (and vice versa in the case of a surplus). This can happen if predicted changes in the tax base do not occur or if payments are delayed.
- 44. The estimated balance on the Collection Fund has been forecast as a net nil position for 31st March 2011. This represents no change from the position forecast at 31st March 2010.

Council Tax on Second Homes

- 45. During 2006 the Cheshire Local Government Association (LGA) agreed to reduce the level of discount on Second Homes across Cheshire from 50% to 25% on the basis that the additional funds would be utilised as follows:-
 - i. 50% to be retained by local authorities.
 - ii. The balance to be paid over to Local Crime and Disorder Reduction Partnerships (CDRPs) for local activities including the appointment of Community Support Officers.
- 46. Under this agreement a small charge is made to the Police and Fire authorities for administration.
- 47. The final figures cannot be calculated until each authority has set its 2011/12 Council Tax. Contributions under the Second Homes agreement to the CDRP from Cheshire Police Authority and Cheshire Fire and Rescue Authority will be made during 2011/12 by adjusting the precept payments to those authorities. The provisional contribution from Cheshire East Council is shown in the table below.
- 48. The further proposed reduction in the Second Homes discount from 25% to 10% is not part of the above agreement and therefore the additional income from that reduction is not included in the figure shown overleaf.

Table 5: CDRP Contribution

	2011/2012 £000
Contribution to CDRP by Cheshire East Council for the employment of Police Community Support Officers and other local activities	114

Source: Cheshire East Finance

Charges to Local Service Users

49. In some key service areas the Council makes a charge directly to the service user. The prices charged will sometimes be set nationally, but should always be related to recovering some or all of the Council's costs in delivering discretionary services.
50. Approximately 9.5% of the Council's gross income is received through Fees & Charges and the prices are reviewed at least annually. Overall, income from charges is expected to increase in line with inflation. Charging for Adults Services is undergoing consultation.
51. The Cheshire East Council pricing structure has over 1,500 different charges. With the overall objective to reduce subsidy in charged for services some prices may rise considerably more than inflation. In such cases users are being consulted and alternative service options are being discussed.

Investment, Borrowing & the Capital Programme

52. The Capital Programme, managed by the Council, is funded through receipts, grants and borrowing. Costs are also partly mitigated through secure investment of cash balances, but there is a net cost to the revenue budget in respect of Capital Financing. An allowance of **£13.9m** is included in the proposed 2011/2012 budget for this.

Capital Programme Funding

53. During 2010/2011 a fundamental review of the capital programme has been undertaken to ensure that it only includes schemes that fulfil the Council's priorities for service delivery. As a result of this review, reductions in the capital programme totalling £5.7m have been made and where possible a number of schemes have been deferred until future

years. Significant reductions in specific capital grants to support improvements in the infrastructure of the school property portfolio will mean a significant reduction in capital improvement schemes affecting schools in 2011/2012.

54. The proposed new capital schemes for the 2011/2012 programme take into account the following factors:
- Available external funding
 - Essential maintenance and replacement
 - Invest to save – capital investment required to deliver revenue saving proposals
 - Available capital receipts
 - Affordable levels of Prudential Borrowing
55. The programme is set out in **Table 6** below and further details are provided in **Annex 6**

Table 6 Capital Expenditure and Funding 2011/2012

	£M
Total Capital Expenditure	<u>77.0</u>
FINANCING	
Supported Borrowing	4.1
Unsupported Borrowing - Prudential	20.0
Government Grants	35.1
Capital Reserve	12.8
Linked/earmarked Capital Receipts	2.5
External Contributions	1.4
Other Revenue Contributions	1.1
	<u>77.0</u>

Source: Cheshire East Finance

Capital Financing Costs

56. The capital financing budget includes the amounts charged in respect of the repayment of outstanding debt and the amount of interest payable on the Council's portfolio of long term loans. These budgeted costs are partly offset by the interest the Council anticipates earning from temporary investment of its cash balances during the year.
57. No additional loans have been taken out during 2010/2011 as the Council is currently able to borrow from internal cash balances to fund the capital programme.
58. The Council currently has debt outstanding of £135.5m. In 2010/2011 the opportunity was taken to restructure £50m of debt by replacing a number of loans with an average interest rate of 4.22% with a new loan at a rate of 2.35%. This will generate savings over the next ten years of £4.47m of which £0.6m will be achieved in 2010/2011 and £0.8m in 2011/2012. The savings have been reflected in the budget for 2011/2012 as set out in **Table 7**.
59. The budget is based on current commitments within the Capital Programme and therefore additional borrowing in future years to fund new schemes will put significant pressure on the financing budget.
60. Following the Comprehensive Spending Review, the Government has increased the cost of new borrowing from the Public Works Loan Board (PWLB). The current PWLB rate (as at 7 January 2011) for a new maturity loan for 30 years is 5.36%.

Table 7: Capital Financing costs can be partially offset by Interest on balances

	£m
Repayment of outstanding debt	9.4
Interest on long term loans	6.1
Contribution from services towards the cost of borrowing	-0.8
Total Debt Repayment	14.7
Less Interest receivable on cash balances	-0.8
Net Capital Financing Budget	13.9

Source: Cheshire East Finance

Interest Rates

61. The latest national economic forecast indicates that the recovery in growth is likely to be slow and uneven. The Interest Rate forecast reflects the fragility of the recovery and the impact of the emergency budget. With growth and underlying inflation likely to remain subdued, the Bank of England is forecast to stick to its lower for longer stance on rates.

Table 8: Interest Rates are expected to rise steadily

	Dec 2010	Mar 2011	June 2011	Sep 2011	Dec 2011	Mar 2012	June 2012
Bank Rate	0.50	0.50	0.50	0.75	1.00	1.25	1.50

Source: Bank of England

Prudential Indicators

62. There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators. CIPFA issued a revised Code in November 2009.
63. Prudential Indicators are the means whereby local authorities are able to ensure decisions made on the mix between revenue and capital expenditure are made on an informed basis that is prudent (i.e., does not result in too high a level of external borrowings) whilst at the same time sustainable (i.e., does not result in excessively large increases in Council Tax bills). The Prudential Indicators for 2011/2012 to 2013/2014 are set out in **Annex 5**.

Management of Council Reserves

64. The Council Reserves Strategy 2011/2014 states that the Council will maintain reserves to protect against risk and support investment. In line with the Strategy, the Council intends to increase the level of reserves by **£5.1m** in 2011/2012.
65. The Strategy identifies two types of reserves:
- *General Reserves*
 - Balances in this category are not identified for specific purposes, but will be used to cushion against the impact of emerging events or genuine emergencies.

- *Earmarked Reserves*
 - Balances in this category are set aside for specific projects where spending will occur outside of the usual annual spending pattern of the budget.

66. Cheshire East Council's Reserves Strategy has been updated and is included at **Annex 8** to this report. For the 2011/2012 Budget the Chief Finance Officer is satisfied that the strategy remains consistent with previous years.
67. The need to make contributions to general reserves is mainly associated with the repayment of costs associated with past staff reduction proposals. It should be noted that there is no further central allocation of costs associated with severance of staff contracts. Further severance and actuarial costs may be proposed during 2011/2012, however, any settlement will be dependent upon identifiable savings and opening balances confirmed from the closure of the 2010/2011 accounts.
68. At 1st April 2010 Cheshire East Council held general reserves of £10.2m. For 2011/2012 the level of risk has been reduced based on more historic data now being available and the embedding of key items within the Revenue Budget. **Table 9** (overleaf) provides a forecast of the closing General Reserves balance as at 31st March 2012.
69. **Table 9** (overleaf) reflects the opening balance at 1st April 2011 after adjusting for the projected 2010/2011 outturn. Further work is progressing to mitigate in year impacts where possible. The position will also be reviewed in the light of ongoing consultation exercises over changes to Services to Adults, and the Council may also opt to use Capitalisation Directives (permission to spread the cost over several years, funded by the Capital programme), to support costs from restructuring, where appropriate.

Other Economic Factors

70. The Council makes an assessment of its financial position over the next three years by using a model known as the financial scenario. It is based on a series of planning assumptions (for example: estimated inflation rates). The planning assumptions were last published in July 2010. Allowance will be made in 2011/2012 budget for other economic factors, largely inflation and pension costs; totalling **£6.7m**.

Inflation

71. The Pre-Budget Report for 2011/2012 includes a provision of **£1.9m** in respect of potential pressure from inflation and changes to National Insurance Contributions. Inflationary pressure is generally being mitigated by service efficiency proposals.

Table 9: General Reserves are expected to increase in 2011/2012

Detail	2010/2011 £m	2011/2012 £m
Estimated Balance @ 1st April	10.2	6.7
Projected Increases in Reserves		
- Contingent Asset (VAT reclaim) net of fees	1.6	0.7
- Business Finance Loan Repayments	0.3	0.2
- Planned Contribution to Reserves	4.3	5.1
- Contribution from Earmarked Reserves		2.3
Projected Use of Reserves		
- Transfer to Voluntary Redundancy Reserve	(1.5)	
- Estimated Impact of 2010/2011 Spending	(7.7)	
- Supplementary Revenues Estimates	(0.2)	
- Transitional Funding carried forward (P&C)	(0.3)	
- Repayment due to CWAC re location		
Forecast General Reserves @ 31st March	6.7	15.0
Risk Assessed Minimum Level		14.7
Un-Allocated Balance		0.3

Sources: Cheshire East Council Reserves Strategy 2010/2011 to 2012/2013
& Quarter 3 Budget Monitoring Report 2010/2011

72. Recent trends in the Consumer Price Index (CPI) are shown in **Chart 3** (overleaf). CPI rose from 3.2% in October 2010 to 3.3% in November 2010. The Governments' Comprehensive Spending Review estimates inflation at 2.1% and has allowed for this in government settlements.
73. Inflation for Cheshire East Council is split between two elements, the potential impact in each element is described below:

Pay expenditure

To date no pay award has been agreed for 2011/2012. The employers are seeking a pay freeze but the employees' representatives have requested an increase of £250 per person. Should this be agreed it would cost £1.5m.

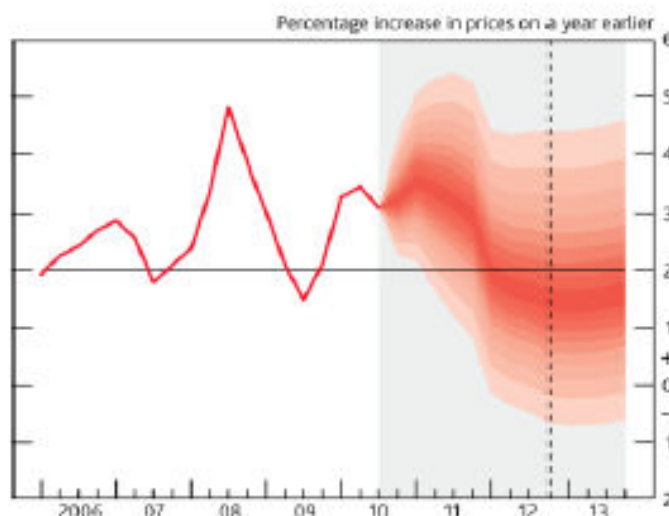
In addition the pay award for 2010/2011 has not been settled. The employees have requested an increase of £250 for each of those paid less than £21,000 per annum. If agreed this would cost £1m.

Another cost pressure includes changes to National Insurance – employer contributions. It is expected this will cost £0.2m from 1st April 2011.

Non pay expenditure

As an indication, if an allowance for non pay inflation, at the CPI rate of 3.3%, was provided it could cost the Council an additional £4.4m. These pressures are being mitigated through improvements in procurement and efficiency.

Chart 3: CPI is projected to rise in the short term before reducing to targets levels of around 2%.



Source: Arlingclose Economic and Interest Rate Forecast Report November 2010

Reading this Chart:

Fan charts are a way of graphically illustrating probability. Each band represents a 10% probability, so if a band is wide then each point within that band carries a lower probability than points contained within a narrow band. The line shown at the left hand side represents historical data.

74. The fan chart at **chart 3** shows the probability of various outcomes for CPI growth. The right hand side of the chart shows possible CPI future growth with past movements shown on the left. There is a 10% probability that CPI will be around 1.5% in 2013. There is a 10% probability that the growth will fall outside of the shaded areas of the fan. The most likely growth pattern is shown by the darker shading in the centre of the fan.

Employee Pensions

75. Based on the latest actuarial valuation of the Cheshire Pension Fund, the employer contribution rate for Cheshire East will increase by 0.5% from 1st April 2011. This will result in additional costs of **£0.6m** per annum.
76. The reorganisation and transformation process the Council is going through has led to greater efficiency and a reduction in staff numbers. Some of this has been through early retirement. Actuarial charges totalling **£4.2m** have been allowed for in 2011/2012 relating to these retirements.

Summary of Financial Stability

77. Funding for Council services is affected by a large number of income sources and corporate costs. The overall picture changes in response to both national and local decisions. The Funding Available to Services in 2011/2012 is estimated at **£597m** which is a reduction of £4.8m (0.8%) compared to 2010/2011.
78. **Table 10** summarises the changes from the 2010/2011 Budget to the 2011/2012 Budget.

Table 10: Funding in 2011/2012 will reduce by £4.8m

Income Source	2010/2011 £m	2011/2012 £m	Variance £m
Formula Grant	(82.1)	(70.3)	
Specific Grants	(370.5)	(373.8)	
Government Grant Funding	(452.6)	(444.1)	8.5
Local Taxation	(176.6)	(178.7)	(2.1)
Investment & Borrowing	13.6	13.9	0.3
Management of Reserves	4.2	5.1	0.9
Other Economic Factors	9.6	6.8	(2.8)
Funding Available to Services	(601.8)	(597.0)	4.8

Note: Changes to 'Charges to Local Service Users' are included within policy proposals shown in **Annex 6**.

Source: Cheshire East Finance

2012/2013 Financial Position and Beyond

79. Key elements of the Council's financial position for 2112/2013 can be justified with some certainty based on information already available. For example, the Government's financial settlement related to Formula Grant and a number of specific grants included funding details for two years:
- **Formula Grant** will reduce by a further £7.1m to £63.2m.
 - £373.8m of **Specific Grants** will reduce by £1.3m to £372.5m.
 - **Adjustments** for Inflation, Investment & Borrowing, Management of Reserves and Other Economic Factors are expected to increase by £4.3m.
80. The overall funding available to services is estimated to **reduce by £12.1m** in 2012/2013.
81. The government settlement only confirms the funding position up to 31st March 2013. After this date the financial strategy must be based on less informed estimates. The assumptions are that:
- Government Funding is expected to continue reducing.
 - Council Tax will be set locally.

- Charges to service users will reflect the need to recover actual costs.

Further details are shown in **Annex 6**.

Corporate Risks

82. Given the context of developments in the public sector, the current economic climate and the Council's need to deliver local priorities within the limits of available funding, risk management has an increased profile. It is important that the Council is able to demonstrate that it has effective risk management processes in place.
83. Based on the current Corporate Plan 2010/2013, a risk workshop was undertaken by the Corporate Risk Management Group to identify the key corporate risks that may adversely or beneficially affect the Council's ability to achieve its corporate objectives. The Corporate Risk Management Group, comprising members from Corporate Management Team and other senior managers, and chaired by the Portfolio Holder for Performance and Capacity, ensures the accuracy and completeness of the risks and monitors the implementation of actions to reduce the risks to acceptable levels.
84. A key corporate risk relates to Financial Control and the impact this may have on the Council's financial stability. **Annex 5** provides an extract from the Cheshire East Corporate Risk Register to highlight the existing controls and planned improvement actions.

2. Our People

Vision and Transformation

85. The Council's vision is to **work together to improve community life**. People based services are committed to making their distinctive contribution, collectively and individually, to fulfilling that Vision.
86. The services are varied, but they have coherence in a shared purpose, which is to:

Improve the wellbeing, health and care of all Cheshire East's people.
87. The Council has five Corporate Objectives and the "People Services" contributes to them all, in particular:
 - To give the people of Cheshire East more choice and control about services and resources;
 - To grow and develop a sustainable Cheshire East;
 - To improve the life opportunities and health for everybody in Cheshire East.
88. The staff and managers of the Adults, Community, Health and Wellbeing Directorate and the Children and Families Directorate are working hard to transform that set of services. Many services are already good, but if they are to be relevant to changing circumstances and expectations, they need to be transformed.
89. High quality services and information is the aim with the following key features:
 - **Accessible** Available as close as possible, recognising that an increase in specialisation may require less local availability. Information to be accessible on-line wherever possible
 - **Relevant** Services must make sense to, and meet the needs of, those accessing them in terms of achieving their required outcomes.
 - **Equitable** Services must meet the needs of individuals and families from the full range of backgrounds and circumstances in Cheshire East
 - **Effective** Services must be able to demonstrate that they deliver the results that are required
 - **Value for Money** Budgets are tight and demand is high. The way services are delivered and to whom must be cost effective.

Current Issues

90. Increasing numbers of people needing help, rising public expectations and reducing resources all mean that “more of the same” will not be sustainable. For that reason there are programmes of transformational work across the Directorates – work on the redesign of services to children and families, on redesigning adult social care and on reviewing leisure, culture and library services.
91. Personalisation and prevention are key themes running through that transformational work. Personalisation is all about giving people more choices and more control over the resources available to them in line with objective 1 of the Corporate Plan for the Council. The prevention agenda becomes crucial, for it will become increasingly important to keep down care costs and to enable our citizens to manage their health and wellbeing. This is at the heart of Corporate objective 2 to grow and develop a sustainable Cheshire East.
92. That analysis is shared by our partners within the NHS locally, including the emerging consortia led by General Practitioners. We realise that only by reducing demand for high cost interventions in health and social care, can we manage the spiralling costs of our ageing population and the impact of alcohol on our communities’ health and wellbeing. This approach underpins Corporate objective 5 to work with others to deliver for Cheshire East.
93. The challenging context is likely to require a shift in the balance between universal services and targeted services, towards the latter. That will be particularly evident within Health and Wellbeing Services where the emerging ‘Lifestyle Concept’ will be tested for its contribution to the financial and outcome challenges faced by the Council. This supports objective 3 of the Corporate Plan – to improve life opportunities and health for all in Cheshire East.
94. Services are becoming more local – for example the Local Independent Living Teams (LILTs) that started as Adults teams now encompass staff from health and other agencies. Case committees are being piloted, bringing a wide range of professionals together to focus concerted attention upon individuals and families causing particular concern. Where possible, services, responsibilities and resources will be shared with Parish and Town Councils and this has the potential to provide a very local preventative response, particularly with vulnerable older people. The development of the Joint Strategic Needs Assessment has assumed greater significance in the whole process as services must deliver better outcomes for all using the positive assets within our communities to model and improve the health and wellbeing of our population.
95. Local delivery is a concept that will cover all services inside and beyond the Council. Putting the citizen at the centre of delivery means all services working together to deliver outcomes and to avoid duplication of provision to individuals and families.

96. The scale of the financial challenge requires that the Council must move beyond a transformational approach alone and must consider options that reduce or remove some services that are not core to meeting its overall aim. It may also have to charge more for services that are retained and to apply charges to activity that has previously been free at the point of use. We must also work collaboratively with partners to consider local approaches to meeting the health and wellbeing of individuals, families and communities.
97. Safeguarding vulnerable children, adults, older people and families from risk of abuse is a key responsibility of the Council and its partners. Empowering our citizens to protect themselves and to report concerns about others at risk or experiencing abuse is a priority. Where abuse occurs, intervening to protect individuals within the appropriate legal framework is followed. Given the scale of the changes required to deliver our services within the given budget, the Council will continually review the possible impact of changes upon the safety and wellbeing needs of people most at risk in our communities.

Services for Children and Families

Improving outcomes for children through effective service delivery.

98. Increasing demand for statutory children's social care services is a continuing feature of the Directorate's work with a significant increase in referrals being made for services in 2010/2011. To stem this demand, a significant work programme commenced to strengthen the ability of partner agencies to work together to support families sooner, thereby preventing issues of concern escalating to the point that children need to come into the care of the Council. As a consequence, the rapid increase in the numbers of children in the care of the Council, witnessed in the preceding 12 months, resulting in growth of £4m, has begun to abate with numbers now steadily reducing, and an anticipated reduction in costs of £1.3m.
99. The work programme focussing upon earlier intervention and targeted prevention has included a major review of services inherited from the predecessor authority, some of which have not demonstrated value for money. A major review of family support services, due to be implemented over the period of the next 12 months, while resulting in identified savings of £0.43m, will also produce a much more targeted focus upon service delivery, some of which will be commissioned from the voluntary, community and faith sector.
100. Connecting services at the frontline, with greater integrated working across the health, education, social care, police and youth support services is mobilising; with a drive to reduce duplication of work with vulnerable children and families, the prevention of problems escalating and improved targeting of ever reducing resources. This work is beginning to frame around the concept of 'locality working' and over the next 12 months will embed on this basis.

101. Changes in national policy regarding schools is seeing a push for greater autonomy. Some schools have chosen to opt for Academy Status which makes them independent of the Local Authority while other schools are choosing to remain as part of the Local Authority network of schools. Whichever route schools choose to follow, Cheshire East Council is working with Headteachers and Governors to examine the benefits of the maximum delegation of education resources to school level, and exploring what services schools may, or may not, choose to purchase from the Council in the future. Additionally, the mainstreaming of grants to schools to become part of the Dedicated Schools Grant has required a full review of support services provided to them by the Local Authority. In dialogue with schools, fewer services will be retained at the centre, with schools choosing to purchase services back from the Local Authority or from other providers. That part of the service which provides services to schools will therefore reduce significantly and will only be sustained if they are purchased back on a full cost recovery basis.
102. Increasingly, the Local Authority's role with schools will reduce, but a key role will be retained in identifying and supporting schools which are struggling to make the progress that is required of them and are producing poor outcomes for the children attending. As a consequence of this change, the workforce of the Directorate is both reducing in size and being reframed.
103. Further policy changes impacting upon the Directorate, include changes in the youth support arena, with proposals from the Coalition Government to an All Age Careers Guidance company and the future delivery of information, advice and guidance to young people. Historically the Local Authority along with Cheshire West and Chester and Warrington Borough Councils commissioned services for youth support from the Cheshire and Warrington Connexions Company Ltd with the contract due to expire at March 2011. The Local Authority will be reducing the scale of youth support services previously commissioned and will be pursuing commissioning of future delivery to ensure young people continue to receive information, advice and guidance services with other services being targeted to those young people at risk of poor outcomes.
104. Support to vulnerable children continues to be a strong focus of the work of the Directorate, with a key emphasis being upon the modernising of services to children and families. Over the preceding 12 months, two large children's homes have closed at Redsands and Prior's Hill, with two smaller houses opening. Further investment of £1.15m in Capital and £0.78m in revenue is planned to provide residential care more akin to a family setting than an institution. A strong campaign is being driven to recruit more foster and adoptive carers to increase the availability of care provision for children requiring it within the Borough. Additionally services to children and young people with disabilities and their families have been reviewed with a wider menu of short break opportunities now being developed. Further work is underway to examine the future need for overnight short break provision for children and young people with complex disabilities. Clearly the Directorate is intending to build upon and strengthen this offer, and awaits the Coalition Government's Green Paper on Special Education Needs (SEN) and Disabilities.

105. Further investment priorities over the forthcoming period are in the areas of special school provision and education provision for pupils permanently excluded from schools. A major review of special education needs is nearing completion. It is evident that there is insufficient special school provision within the Borough and that further provision is required. Proposals will shortly be forthcoming regarding the expansion of provision which will require capital investment. Such provision is required to reduce the need for children and young people with complex disabilities to have to travel significant distances outside of Cheshire East to attend a special school, or indeed to have to reside away from their home and families during school terms. Significant costs are incurred in transporting pupils to such settings and these will be reduced when more provision is made available locally.
106. Formalising and improving educational arrangements for young people permanently excluded from school is a priority, with proposals due to be submitted to Cabinet in February 2011. Current arrangements are unsatisfactory and the Local Authority is required to provide full time educational provision within a registered setting. It is proposed that a Pupil Referral Unit is opened to provide the necessary educational provision and support to those pupils who are permanently excluded from schools and those awaiting transfer to other mainstream or special schools.
107. A review of the Council's Home to School Transport Policy has identified increased expenditure pressures generally and areas of discretionary activity and support provided by the Council which is no longer sustainable within the current financial climate. This includes denominational transport, and post 16 provision, where it is intended to remove subsidies and / or increase charges. After taking these savings into account, budget growth of £0.989m is still required in this area.
108. Extensive work has been taken to remodel the workforce within the Service. This is being driven by the need to contain costs, respond to national and local policy changes and improve the effectiveness of service delivery. A significant number of posts have therefore been removed from the structure.
109. Efficiencies will be secured through improved commissioning arrangements (for example by the combining of arrangements for the commissioning of some care placements). Finally, while some areas of service delivery may cease to be commissioned due to reductions in funding, it is expected that other elements of service delivery historically provided by the Council will be commissioned externally.

Services for Adults

Continuing Transformation and Growth

110. The growth in demand for Adult Social Services has become a major national issue. The impact of the ageing population on demand for services is being better understood and a major national enquiry has been established to work out how this impact may be managed effectively.
111. We know that the population of Cheshire East is older than the average population of England. Last year an allowance of £0.4m was made for this impact and this has proved inadequate to meet the challenge especially for those aged 85 years and over. Care costs for this group have exceeded £20m in the past year. The recessionary impact is also becoming clearer, with falling house values and diminished personal savings causing greater costs to fall upon the Council. Overall, year on year growth pressures of £4m are recognised for the budget (£11.8m for the three years from 2009/2010 to 2011/2012).
112. The strategy for tackling dementia services has continued, with one purpose built centre being opened, and more places planned to provide cover across the area. However, the impact of people using their own personal budgets to buy care has meant that demand for directly provided services has shrunk dramatically and the future of our own services are bound to be considered more fully during 2011/2012.
113. The pattern of separate services for older people and adults with a learning or physical disability or sensory impairment, has shifted to generic local service that address the needs of individuals as individuals, rather than as part of a 'client group'. Key to this is the operation of the four Local Independent Living Teams (LILTs) which provide a vehicle for wider integration across the public sector in line with emerging concepts such as 'community budgets'. The Adults Service is therefore ready for the major policy shifts brought about by the Coalition Government.
114. The Pooled Budget for Services for Adults with Learning Disabilities that is operated jointly with the Primary Care Trust (PCT) has continued to be challenging in terms of the need to manage spending, and to organise the transfer of money from the PCT under the Valuing People Now (VPN) initiative which is dependant on Continuing Health Care assessment. There is additional pressure on the partners to this arrangement caused by the requirement to bring budgets into balance before transfer to the emerging GP Consortia.
115. Mental Health Services are being reviewed by the commissioners and providers of services with a view to examining whether they could be more closely aligned with the LILT delivery model. This should be resolved during 2011/2012 and a budget saving is expected from this exercise.

116. The large-scale transformational programme to redesign Adult Social Care is on target to exceed the requirement on it to deliver £2.995m of savings in 2010/2011. In response to budget pressures proposals have been brought forward and extended in scope. However, it has become apparent that transformation alone will not deliver a balance between the demand and the money available to pay for it. This 2011/2012 budget is therefore characterised by proposals that are raising revenue by the removal of subsidy rather than securing savings via a remodelling of services.

117. Key elements of the programme include :

- Reducing care costs by a radical review of existing care packages supported by an increasing focus on using technology to monitor and manage spend at an individual worker level, as well as at team and whole service levels. (£0.8m)
- £1.541m is being saved through a number of initiatives. Firstly, further efficiencies in the operation of the in house care provision (Care4CE) are projected to save £580k. Secondly, further savings in procurement are projected to yield £827k, made up of changes to the Domiciliary Block Contract of £427k, £300k from improving care cost procurement and £100k being the 2011/2012 effect of the existing meals contract. The final £134k is made up of smaller savings in expenditure, for example, giving up part of the Workforce grant, reflecting the smaller size of the Adults workforce given the voluntary redundancies incurred to date within the lifetime of the new council.
- The impact of 'reablement' is beginning to emerge and learning from this now to ensure maximum impact and savings is required. The additional independence that this provides to customers is reflected in a saving of £0.4m within the Care4ce efficiencies.
- Review of the overall staffing requirement will continue. Adult Services granted voluntary redundancy to over 400 staff in the first eight months of 2010/2011 and the process is set to continue beyond local teams and the in house care provider (Care4CE), to other areas of the service. It will be combined with a hard look at staffing costs generally. All these staff related changes will deliver a further significant saving. (£0.95m)
- Building based services have proved to be a source of savings in the first two years of the Council and again there is a large target. (£1m). This process is essential to fund the shift from direct provision to direct payments. If buildings and services that are no longer required by customers are not closed then direct payments become a net cost to the service instead of a net saving. In the case of the housing networks run by Care4CE, rationalisation rather than closure is the immediate objective, adding £150,000 to the above target for building based services.
- The elements that are not transformational are the increases in charges to remove existing subsidy from the provision of social care services (including some administrative aspects) and a similar process related to transport where a combination of increased charges and reduced offer will make savings of £0.8m. The general increase in

charges is set to raise £0.65m of the £0.99m shown. The Council has completed two separate formal public consultation exercises, in relation to both the transport and charging proposals. A full list of consultation events is included in **Chapter 6**. These consultations will be the subject of a separate report to Cabinet shortly. At the time of writing it is not appropriate to prejudge the outcome of that exercise, nor comment on the overall content of further reports. However, the Council acknowledges that the proposals have raised a range of important issues that are currently receiving careful consideration. Specific consideration is already being given to elements of carer's services. It is recognised that the impact of any amendments to estimated income will require further analysis and mitigation.

- The Lifestyle concept within the Big Idea is intended to deliver £0.796m in Adults through a mixture of reducing cost and increasing income.

Before taking into account new grants, the Adults service is proposing savings totalling £8.66m to offset the growth proposals of £11.8m. This includes £1.5m worth of further efficiencies to be delivered through a second phase of Social Care Redesign that will focus on areas such as the personalisation agenda, delivering social care through using direct payments to individuals paid net of client contribution direct onto an Empower card. The trend of growth in demand will continue and the service remains committed to the creation of a new round of transformation to deliver further streamlining of service, reduction in costs and demand. However, the scale of the challenge suggests that a radical programme of integration within and beyond the Council will be needed by 2014 to deliver an affordable health and social care system across children's, adults and older people's services.

118. The radical approach to tackling the challenge of delivering social care within a limited and reducing budget requires effective use of capital to deliver efficiencies in processes and reduction in care costs. It is for this reason that improvements in information technology form an important part of the programme - aimed at reducing staff time servicing systems. Investment is also needed in identifying the business case for further development of the dementia strategy and the case for a comprehensive 'Lifestyle' approach to provision in the directorate. Once established these approaches will themselves require significant capital investment to deliver the identified benefits.

Health and Wellbeing

Growth in costs and opportunities

119. Health and Wellbeing (H&W) services are in transition. There is a mix of services that have potential (some more than others) to contribute to the emerging priority of tackling the new public health agenda as those services move to the Local Authority from the Primary Care Trust (PCT). 2011/2012 will be a year in which this realignment takes place, assisted by the greater integration of H&W into the work of the Adults, Community, Health and Wellbeing Directorate. In this context the 'Big Idea' of using H&W services to meet more mainstream social care is highly relevant.

120. Such a change requires a different approach within the H&W service so during 2011/2012 the commissioning elements of the service will be moved to a strategic commissioning function across Adults, H&W and the Children and Families Directorate. The remaining provider services will be subject to an options appraisal to seek the best way to structure and deliver these services in future.
121. During the year, the Lifestyle concept – which is at the centre of the ‘Big Idea’ – will be tested at a number of leisure centres across the Council area to see if additional investment in these centres will enable them to meet social care needs and build confidence and independence among older and disabled people. The focus on their use of the facilities will be when the general public use is not high – thus making the facilities more economically viable for universal use. This, with other efficiencies from directorate integration, and increased income should deliver a net £754,000 (contributing to the £1.023m).
122. Progress has been made to bring the Council’s Customer Contact Strategy and the Council’s Library Services Strategy together, so that libraries offer an effective customer contact service. However, to free up human resources in support of that transformation, it will be necessary to continue to invest in the technology which enables self issue and self return of books. A review of library provision will articulate the Council’s ambitions for its library services and the infrastructure required to deliver that ambition. This is a key part of the Building Based Review of all parts of Health & Wellbeing and will save £268,000. (contributing to the £774,000 saving)
123. The role of Green Spaces will also be considered and the extent of the Council’s presence reviewed. While the spaces themselves are freely available, the cost of access to them for particular groups may be considered within the ‘Lifestyle Concept’ with the potential to derive income from delivering access. (£225,000).
124. The process of devolution to Town and Parish Councils continues and the Civic and Community Halls may be a key part of that process. Pending this change, these facilities, plus others being reviewed, will continue to be funded by the H&W service.
125. As with Adults Service, H&W must also look to increased and new charges to raise income in order to meet the challenge of increased costs (£210,000). The overall net reduction of £1.5m for H&W represents a further reduction of 12% over and above savings of £1.8m already delivered since 1st April 2009.
126. Capital investment will be focussed upon moving towards the aspiration to develop lifestyle centres. Funding permitting, an options appraisal will be undertaken to determine the best way forward, preferred site and functions to accommodate. Other capital work will only be undertaken to ensure compliance with health and safety legislation, or to avoid loss of income through unplanned facility closure.

Summary of the Revenue and Capital Position

127. The tables below summarise the Revenue Budget and Capital Programme for the People related Directorates.

Table 11: People Related Services Revenue Budget Summary 2011/2012
~ see **Annex 4**

Services	2011/12 Budget £m	Policy Proposals £m	Total £m
Children and Families	306.7	0.1	306.8
Adults, Community, Health and Wellbeing	96.6	10.1	106.7
Total	403.3	10.2	413.5

Source: Cheshire East Finance

Table 12: People Related Capital Programme Summary 2011/2012
– see **Annex 6**

People	2011/2012 £m
Committed schemes	
Children and Families	14.3
Adult Services	1.9
Health and Wellbeing	2.5
	18.7
New Starts	
Children and Families	11.5
Adult Services	0.2
Health and Wellbeing	0.7
	12.4
Total Capital Programme - People	31.1

FINANCING

Supported Borrowing	2.6
Unsupported Borrowing - Prudential	5.9
Government Grants	20.4
Capital Reserve	0.0
Linked/earmarked Capital Receipts	1.1
External Contributions	1.1
Other Revenue Contributions	0.0
Total Sources of Funding	31.1

Source: Cheshire East Finance

3. Our Place

Vision and Transformation

128. The Council's vision is to **work together to improve community life**. The Places Directorate is a set of services committed to making their distinctive contribution, collectively and individually, to fulfilling that vision.
129. The Places Directorate is responsible for the delivery of a wide range of varied services including Environmental Services, Safer and Stronger Communities, Regeneration and Planning and Housing, which have coherence in a shared purpose, which is to:

Create and maintain a quality environment to promote prosperity and wellbeing.

130. The Council has five Corporate Objectives and the Places Directorate contributes to them all, in particular:
- To grow and develop a sustainable Cheshire East;
 - To enhance the Cheshire East environment
131. The Places Directorate faces many opportunities and challenges and is working hard to transform services to ensure they are more:
- **Customer focused** Committed to designing and delivering high quality services that meet the changing needs of customers whilst delivering high levels of customer satisfaction.
 - **Sustainable** A range of services, delivering the Council's responsibilities and ambitions in an affordable and efficient manner, that meet customers varied and changing needs.
 - **High Quality** Services committed to enhancing quality, both in their own delivery, and in that of partners and suppliers.
 - **Forward Looking** Identifying and addressing the major strategic challenges which will face Cheshire East in future years including demographic changes, climate change and economic conditions.
 - **Locally Focussed** Services which are focussed upon meeting the needs of local communities by being more easily accessible and more readily responsive to residents and customers.

Current Issues

- 132. Ensuring future services are flexible, to meet the changing needs of customers. Increasingly providing greater levels of choice, whilst maintaining a core level of service to all.
- 133. Developing local solutions and devolving service provision, whilst both maintaining, and improving quality, and realising resource efficiencies.
- 134. Ensuring that Cheshire East benefits from any upturn in the economy and that the Council can facilitate investment and encourage growth and prosperity.
- 135. Planning effectively for the future, through the development of major strategic plans such as the Local Development Framework, and the Local Transport Plan (LTP).
- 136. Working with our Sub-Regional Partners to support the Local Economic Partnership and other collaborative working whilst continually developing strong links with the Association of Greater Manchester Authorities.

Environmental Services

- 137. The highway network is the Council's largest asset, it is valued at more than £2 billion and is fundamental to achieving all of our key objectives, particularly in creating and maintaining the quality environment necessary to promote prosperity and wellbeing of our businesses and communities. Deterioration of the highway network is continuing due to the effects of falling investment and severe winter damage over recent years. This challenge will be faced with a new contractor appointed to manage and maintain the highway network, on behalf of the Council and achieve revenue efficiency savings of £0.5m in 2011/2012.
- 138. Cheshire East residents recycle about 50% of their waste; the highest level in the North West of England. However, we still send approximately 90,000 tonnes of residual municipal solid waste per year to landfill, which is damaging to the environment and wastes many valuable materials. Because of significant increases in landfill tax applied by central government each year (currently £8 per tonne), the cost of the waste service, responsible for waste collection, recycling and disposal, continues to escalate (£214,000 in 2011/2012). The Council has been working with Cheshire West and Chester Council to develop a long-term solution to treat residual household waste rather than continuing with the practice of waste disposal by landfilling. Recently, central government has announced that their financial support for Cheshire's Private Finance Initiative (PFI) residual waste treatment project has been withdrawn and consequently the future of the project is now at significant risk. A revised strategy for the treatment of the Council's residual waste will need to be devised over the next year.
- 139. In order to provide householders with a much improved waste and recycling collection service, the Council will introduce a new system in 2011/2012, based in large measure, on three wheeled bins rather than the current mix of bins, boxes and bags. This will increase the number of materials that can

be recycled by all householders and reduce the costs of waste and recycling collections by £0.7m in 2011/2012, increasing to over £1m per annum from 2012/2013.

140. Our work on Local Service Delivery is continuing, and practical means of achieving greater local ownership of key frontline services such as public toilets, street cleansing and grounds maintenance remains a key objective. Town and Parish Councils are engaged in discussing the levels of transfer and devolution and it is expected that during 2011/2012 agreement to progress this transformation of service delivery will be reached.

Safer and Stronger Communities

141. The Council is facing a significant threat to its Community Safety Partnership work as a result of the uncertainty over Area-Based Grant. The grant is used to fund a range of interventions to tackle our priority areas of Anti-social Behaviour, Domestic Abuse and Prolific & Priority Offenders. Reduction in the Council's Warden Services will further impact on the visibility of uniformed presence in local neighbourhoods.
142. Regulatory Services continue to work towards a more integrated approach to service delivery and they will undergo a 'Peer Review' in February 2011. This assessment will drive the continued improvement in our approach to achieving the right balance between prosperity and protection. This is particularly important during the economic downturn but will also need to take full account of the legislative changes and new responsibilities flowing from closing down of agencies such as the Office of Fair Trading and Health Protection Agency.
143. The Car Parking Strategy has recently been updated and set in the context of the broader Local Transport Plan (LTP) work. Recent trends show an increase in usage in many of our car parks, as the impact of the recession recedes. Our investment in new Residents' Parking Schemes has also resulted in additional permit sales. This is reflected in an increased income projection for 2011/2012.
144. The Emergency Planning Shared Service is currently investigating the opportunities to extend its remit to cover the Warrington Borough Council area. This will result in both financial savings and greater capacity within the extended team to deal with major emergencies and serious incidents. Further work on exploring a multi-agency collaborative model is underway too and it is hoped this will improve all agencies' collective response to emergencies.

Planning and Housing

145. Recent Government reforms of social housing pose uncertainties for the future and the economic down turn has slowed the delivery of affordable housing. Resources from the Homes and Communities Agency are also severely curtailed. The Council will need to find new ways of providing affordable homes, including partnership arrangements and the use of its own assets. The economic downturn is increasing the risk of homelessness – this may be compounded by changes in Housing Benefit in 2013.

146. The Building Control service has been affected by the implementation of new Charge Regulations which came into force 1 October 2010. These new Regulations restrict the ability to recover costs from statutory functions. This creates a harder financial climate for the team, removing any ability to generate surplus income. However there is potential for small growth in market activity for the coming year.
147. The Spatial Planning team has a programme for the preparation of the Local Development Framework (LDF) to secure the adoption of the Core Strategy by 2013 and the Site Allocations Plan by 2014. This process is likely to give rise to significant community interest. Once the LDF is adopted, the Council will be able to introduce Community Infrastructure Levy, which has the potential of raising over £330 million for investment in new infrastructure. The LDF will also allocate sites for new housing development, which has the potential to attract significant receipts from government proposals to introduce a New Homes Bonus, details of this new scheme are currently in consultation.
148. Cheshire East is amongst the top ten busiest planning authorities in England, determining nearly 5,000 planning and related applications each year. The recession has stripped out much of the more 'profitable' commercial development from the process, leaving the Council with proportionately more low value, but high input applications. Development Management is currently undergoing a transformation process, which will introduce new and improved ICT systems and accompanying ways of working, delivering savings of £0.3m.
149. The Government has recently announced a reform in the planning fees from April 2011, with Councils able to set their own fees and potentially offset the full cost of the service. This should have a positive impact on overall income (£0.2m), but full details are still to emerge.

Regeneration

150. Supporting the local economy and ensuring Cheshire East is at the forefront of the upturn will remain a major priority for the coming year. The Council will continue to engage strongly with local businesses to support job growth and provide a constant link in a rapidly changing business support environment.
151. Work will continue to develop and support our new Local Enterprise Partnership for Cheshire and Warrington which will be a strong business-led partnership responsible for driving forward economic growth (£260k in 2011/2012). There will be a strong focus on marketing and promoting the area to new investors and visitors through a new 'Marketing Cheshire' organisation that brings together visitor economy support and place marketing.
152. Leading major regeneration of Macclesfield and Crewe will remain a major priority for the Council. Redevelopment of the town centres in a difficult economic climate is a challenge, however progress is expected following the recent work led by the Council to create a strong vision for the future in both Macclesfield and Crewe, and emerging work in Congleton and Wilmslow. We will continue to deliver our Sustainable Towns Framework with local partners, to support all town centres and economic areas across Cheshire East.

153. The Total Transport Transformation project remains a major corporate priority for the Council. The next twelve months will see major change in the way in which the Council delivers our highway and transport priorities. A new Cheshire East Transport Unit will be established which will continue to deliver a strong operational service to all our clients (delivering efficiencies of £0.2m in 2011/2012), whilst building our strategic response to the transport pressures facing the area, including the provision of a strong rural transport network; supporting sustainable travel; new investment to support economic growth and ensuring strong links with our neighbours, particularly with greater Manchester.
154. The Council currently provides support towards the maintenance and management of Tatton Park, a major visitor attraction which has over 800,000 visitors a year. Over the last twelve months the Council has developed ambitious plans for future investment and development in Tatton to increase the visitors to over 1,000,000 per year by 2016. Through this investment and development it is anticipated that the level of financial support required from the Council can be eliminated while retaining Tatton's positive impact on the local economy, sustaining its conservation and delivering of the Council's lease-hold obligations.
155. In order to demonstrate leadership on climate change, the Council has developed a Carbon Management Plan as part of a comprehensive strategy. The strategy is to reduce our carbon emissions by 25 per cent by 2015/2016, from its current baseline of 50,000 tonnes per year. Over the last year the Council has cut its emissions by over 1,000 tonnes, mainly through small technical solutions in its buildings.

Summary of the Revenue and Capital Position

156. The tables below summarise the Revenue Budget and Capital Programme for the Places Directorate.

Table 13: Places Revenue Budget Summary 2011/2012 ~ see **Annex 4**

Services	2011/12 Budget £m	Policy Proposals £m	Total £m
Environmental Services	38.2	(0.7)	37.5
Safer & Stronger Communities	1.2	(0.9)	0.3
Planning & Policy	4.0	(1.0)	3.0
Regeneration	12.7	(1.2)	11.5
Total	56.1	(3.8)	52.3

Source: Cheshire East Finance

Table 14: Places Capital Programme Summary
2011/2012 – see **Annex 6**

	2011/2012 £m
Places	
Committed schemes	
Environmental Services	3.2
Planning & Policy	1.3
Regeneration	3.3
Safer & Stronger Communities	0.6
	8.4
New Starts	
Environmental Services	2.0
Planning & Policy	1.8
Regeneration	17.4
Safer & Stronger Communities	0.0
	21.2
Total Capital Programme - Places	29.6
 FINANCING	
Supported Borrowing	1.3
Unsupported Borrowing - Prudential	10.0
Government Grants	14.1
Capital Reserve	2.9
Linked/earmarked Capital Receipts	0.0
External Contributions	0.4
Other Revenue Contributions	0.9
Total Sources of Funding	29.6
Source: Cheshire East Finance	

4. Supporting Service Delivery

Vision and Transformation

157. The Council's Corporate Plan incorporates five key objectives. This section of the Council supports the achievement of all objectives and, in particular
- “Being an excellent Council and working with others to deliver for Cheshire East”
158. The Council groups services that support all service delivery under the heading of Performance & Capacity. The overriding aim of these services is to provide necessary support to achieve the Council's aims at the best value, to the right standards and with a focus on what matters to the public of Cheshire East.
159. The major services within Performance & Capacity perform a number of roles:
- **Focused on Outcomes** Providing strategic review, analysis and intelligence to develop the Council's Plans, provide focus on what really matters, link performance outcomes to resources and influence, respond and implement local and national public policy.
 - **Focused on Customers** Improving the customer experience and making customer contact simple, relevant and fit for purpose while learning and improving based on feedback.
 - **Joined Up** Maximising the benefits of working in partnership including shared service opportunities to assist the successful delivery of front line services, minimise duplication, maximise cost efficiencies and enable truly joined up services appropriate for our differing localities.
 - **Sustainable** Supporting the development of the Council's processes, governance arrangements and accountability structure including developing the Council's workforce and protecting the Council against risks both legal and financial.
 - **High Quality** Supporting front line services as they strive to deliver transformational projects (for example Finance, Human Resources, ICT, Legal, Procurement and Property support are required for most projects).
 - **Forward Looking** Leading projects on behalf of the Council to further improve the Council's asset base, infrastructure, community liaison, policy co-ordination.

160. Significant savings have already been made as a result of the local government review process, targeted activity on support services efficiencies and a focused approach to spending money on what really matters in Cheshire East. Savings planned for 2011/2012 are ambitious and appropriate. It is anticipated that reductions in the inspection regime, central reporting and a focus on Cheshire East local performance will facilitate the savings plans.
161. Performance and Capacity is split into the following five areas:
- Treasury and Assets
 - Human Resources and Organisational Development
 - Legal and Democratic Services
 - Policy and Performance
 - Corporate Improvement

Treasury and Assets

Assets

162. The Council understands its asset base and has developed a strategic approach to asset management which is integrated with corporate and service planning.
163. The office accommodation strategy, which is already well underway, is providing modern open-plan offices that support and enhance flexible styles of working. It is providing staff with a range of working environments that suit the changing requirements of customers. The majority of the Council's office based staff have already been successfully moved to facilities that are fit for the purpose of delivering modern services.
164. A major element of the Council's Transformation Programme is the Asset Challenge. This was launched in January 2010 and involves a comprehensive review of the Council's existing property assets and their usage and an analysis of the Council's future property needs. This work will underpin the transformation of front line services and will ensure that Cheshire East will have an asset base in the medium term that will deliver services where and how they are needed by the Cheshire East communities.
165. A key aspect of the asset challenge is the links with our partners and the delivery of services from joint facilities where appropriate. The Capital Programme reflects an investment of over £5m in 2011/2012 for building maintenance including satisfactory compliance with its legislative and regulatory responsibilities. There is an expectation that the Asset Challenge process will achieve significant efficiencies and savings over the next three years.

Information & Communications Technology

166. The ICT service will continue to exploit new developments to deliver savings in the operational running cost of major systems such as Oracle, Microsoft

and PARIS. This will include reviewing new models of product licensing, rationalisation of products and the delivery of support to these systems.

167. Appropriate technology will be put in place so that the Council's policy on flexible and mobile working can be delivered. Improved capacity for flexible and mobile working is a key pre-requisite for the delivery of the accommodation strategy and delivery of efficiency improvements in services.
168. Significant service improvements and greater efficiency will be delivered through centralised management and greater standardisation of Personal Computers, laptops, mobile devices and telephones. This project is already underway within the service, and therefore tangible benefits should start being delivered in early 2011/2012. The Capital Programme includes a further £0.981m investment in the essential replacement of core technical infrastructure, demonstrating the Council's commitment to the maintenance and improvement of its ICT capability.
169. In November 2009, the Council launched a major initiative with a range of public, private and third sector partners to reduce operating costs of ICT through greater sharing of facilities, such as data centres, and the elimination of duplication and excess capacity. Some small projects have already been delivered and major proposals are now being developed for 2011/2012.

Finance

170. The core financial system optimisation project will change business processes and service levels within Finance and Shared Service teams to deliver cashable savings. The project will see a capital investment of up to £825,000 in 2011/2012 and will deliver revenue savings of £141,000 in Finance and the HR & Finance Shared Service. Further savings will be delivered across the organisation as lean systems and processes are embedded as part of a Business Management Review, a cross directorate savings target of £750,000 reflects this opportunity.
171. The first priority will be to streamline transaction processing through improved compliance and optimisation of upgraded technology. The second tranche of work will be to deliver a standard suite of financial reports to be delivered direct to managers' desktops through a much clearer 'dashboard' that includes key facts 'at-a-glance'. In addition, improvements will be made to automate income reconciliation allowing more efficient processing of revenues.
172. Further rationalisation of staffing levels in the Revenues and Benefits Teams will be taken forward during 2011/2012, following the implementation of a single system to replace the three inherited, legacy platforms, and in line with reduced government funding for benefits administration costs.
173. Continued rationalisation of the Council's insurance arrangements will deliver modest savings in 2011/2012 ahead of a full re-tender exercise in 2012/2013, which will target more substantial savings, in the region of £300,000. This may require some changes to self-insurance levels and a more rigorous approach to risk management.

Procurement

174. The Procurement Unit will support the Council in the delivery of procurement savings of £1.65m during the next year. This will be achieved through the continued embedding of the Corporate Procurement Strategy, providing a greater control and visibility of spend within the organisation to drive down unit costs.
175. Savings will be achieved through the acceleration of the category management approach to procurement, increased economies of scale and capacity through expanded use of the Association of Greater Manchester Authorities sub regional procurement hub and collaboration with other partners and the increased use of the regional E-portal (The Chest).
176. The Procurement Unit will embark upon a cost reduction programme that will urge suppliers to consider the positive benefits to their competitive position from price reductions to the organisation that will result in an efficient and balanced supply base.

Shared Services

177. The Council currently has several long and short term shared service arrangements with Cheshire West and Chester Council. These are predominantly supporting service delivery (for example, back office transactional and ICT functions) with some elements supporting Our People & Our Place. These have demonstrated significant savings since their introduction in 2009 and budget challenge for the forthcoming years have identified further potential savings in the region of £1.5m (£300,000 for 2011/2012).
178. Shared Services will continue to be managed to deliver best value for Cheshire East Council and its stakeholders. However greater effort will be focused on exploring opportunities to extend the Councils approach to collaborative working with a range of partner organisations to provide more streamlined and co-ordinated approaches to service delivery resulting in greater efficiency and improved performance.

Human Resources & Organisational Development

179. In order for Cheshire East to consistently deliver high levels of service to our customers and communities in these unprecedented times, we require a highly engaged and appropriately skilled workforce. The graduate development programme successfully launched in 2010 actively demonstrates the Authority's commitment to supporting and helping young people to gain meaningful employment in this difficult economic climate. To fund the additional Graduate placement agreed by Members, funding of £41,000 is required in 2011/2012.
180. The Council committed additional funding of £35,000 in 2010/2011 to enable the employment of 1 temporary member of HR staff to deal with the increase in essential work following LGR, specifically Job Evaluation. This work is due to reduce in 2011 and this additional funding is no longer required.

181. Cross directorate savings of £83,000 will be achieved through the launch of three new salary sacrifice schemes in 2011; Cycle to Work, Computer Purchase and the Green Car Scheme. These savings are predominantly savings in tax and National Insurance contributions.
182. Additional cross directorate savings of £407,000 will be achieved as a result of the recent renegotiation of margins, management fees and pay rates associated with the Reed temporary recruitment service, which has recently been extended for a further 12 months.
183. In order to maximise the cross directorate Salary Sacrifice Savings that HR has put forward, an additional administrator post is required to ensure that the new salary sacrifice schemes are run efficiently with maximum take up and subsequently maximum savings. Additional funding of £13,000 is required for this post.
184. Work has been ongoing to review Cheshire East's terms and conditions of employment with a view to resolving harmonisation, equal pay and historical Single Status issues. It is anticipated that the review will be completed in 2011, with a single set of terms and conditions in place by late summer. Whilst powerful software has been procured specifically for the purposes of pay modelling, some assumptions have been made in order for us to proceed with the modelling which will allow for a small margin of error in reporting. Additionally, it is not possible at this stage to identify accurate savings as we are still part way through consultation with the Trade Unions and a package has yet to be agreed. However, due to the budgetary pressures facing the Authority as a result of significant grant reductions, a savings target of £2.4m has provisionally been set aside in the draft budget in order to assist the Council in its planning. Finance colleagues are closely involved in the project and will be formally auditing the methodology used to arrive at savings.

Legal and Democratic Services

Legal Services

185. The Council must protect itself against risk (such as legal action being taken against the Council) and ensure services are delivered to proper frameworks. The legal services team must therefore be properly resourced to support services in their work. Detailed consideration is being given to the ways in which the Service can be properly resourced in order to ensure service delivery, and in order to minimise risk. An Interim Borough Solicitor has recently been appointed to do this and will report upon her findings in due course.
186. The service has historically carried out a substantial amount of work throughout the year on schools appeals. The budget proposes that the cost of this work should be recovered, which will be reliant upon agreeing buy back proposals with the schools.

Democratic Services

187. The proposals for the service comprise a package which relies upon making use of buoyant Registration Service income, together with restructuring and rationalisation proposals.

Policy and Performance

188. The Directorate provides wide ranging services that help shape Cheshire East, identify priorities, support strategic management, promote good governance and enhance and protect the reputation, integrity and effectiveness of the Council. It is split into five service areas each of which are part of the Corporate support functions within the Council. These are:
- Customer Services
 - Partnerships (including grants to outside bodies)
 - Performance and Planning (including research)
 - Communications
 - Internal Audit and Compliance
189. The service plays a central role in helping the Council achieve its corporate objective to be “an excellent Council and work with others for Cheshire East.” Each of the services have quite different individual objectives contributing to this aim and are influenced by the need to:
- Maintain a robust corporate core to manage the Council’s business
 - Provide a high quality corporate planning and performance management frameworks
 - Provide an information analysis, evidence-base and external consultation service including continuous support for the Joint Strategic Needs Assessment
 - Comply with the statutory responsibility to have an internal audit function and to have a Head of Audit giving an annual assurance on internal controls
 - Provide Corporate Policy advice and co-ordination
 - Protect, enhance and develop the Council’s reputation
 - Co-ordinate internal and external communication to ensure targeted messages to the people of Cheshire East
 - Provide co-ordination of, and engagement with, strategic and local partnership activity through existing formal and informal mechanisms
 - Provide high quality customer access through face to face, telephone and the web, driving improvements in customer service standards across the Council
 - Maintain standards in relation to Freedom of Information, Data Protection, Business continuity and other statutory requirements
 - Oversee the Corporate approach to the single equality and inclusion scheme
190. The Direction of Travel of the service going forward remains that of playing a central role in helping the Council achieve its corporate objectives. The inspection requirements on the Council have significantly diminished with the abolition of the Comprehensive Area Assessment (CAA). There remains a need, however, to reshape the priorities of Cheshire East in a time of austerity and to ensure that the priorities, outcomes and performance reflect what Cheshire East really wants to achieve.

191. We have an opportunity moving forward to use our sustainable community strategy to properly focus our time and resources on those areas that matter most to the people of Cheshire East. We want to improve performance outcomes (not count inputs), do everything we do in the most cost effective way, and satisfy our customers. Empowering citizens and sustaining a sense of civic pride is fundamental to moving forward in the difficult months and years ahead. Neighbourhood action, a community spirit and a combined effort is the way forward and this will require co-ordination, drive and input from the partnership and performance team.
192. We have agreed seven priorities for action within our strategy which are about nurturing strong communities, creating the conditions for business growth, unlocking the potential of our towns, supporting young people, ensuring a sustainable future, preparing for an increasingly older population and driving out the cause of poor health.
193. The reality is that we will be making difficult choices about how we use the financial resources available – by being clear about what we want to achieve through our community strategy and corporate and service plans we can make sure that things that really matter have scope for development and our finances, resources, focus and time is spent on making those things happen.
194. Given all of the above the main changes proposed for the service relate to rationalisation and a focus on partnership working, efficient customer services and an emphasis on communication and reputational management. Savings plans include:
- Rationalise the internal audit function by reducing staffing and realigning specialist work (£200,000 saving, taking the total to £550,000)
 - Rationalise customer access and back office processes (£225,000 in 2011/2012)
 - Transfer of six customer outlets to libraries (already achieved) and potentially extend the transfer of customer access points and / or use different technologies to drive savings (£240,000 - £390,000).
 - Transfer Tourist Information Centres to visitor economy team and reduce the net expenditure on this area (£45,000)
 - Combine and rationalise Partnerships and Performance & planning team functions (£420,000) to reflect changed approach to inspection and policy shifts
 - Reduce the level of community and cohesion grants (£150,000 (16%) in 2011/2012)
 - Consolidate costs in Communications by reducing publications, circulation, media analysis and staffing (£150,000)

Summary of the Revenue and Capital Position

195. These tables summarise the Revenue Budget and Capital Programme for Performance and Capacity.

Table 15: Performance & Capacity Revenue Budget Summary 2011/2012 ~ see **Annex 4**

Services	2011/12	Policy	Total
	Budget	Proposals	
	£m	£m	£m
Borough Treasurer & Head of Assets	124.0	-3.0	121.1
HR & Organisational Development	3.1	0.1	3.3
Borough Solicitor	6.3	-0.5	5.8
Policy & Performance	8.4	-1.2	7.2
Corporate Improvement	0.5	-0.1	0.4
Total	142.4	-4.7	137.7

Source: Cheshire East Finance

Table 16: Performance & Capacity Capital Programme Summary 2011/2012 ~ see **Annex 6**


	2011/12
	£m
Performance & Capacity	
Committed schemes	
Borough Solicitor	0.0
Borough Treasurer & Head of Assets	7.2
HR & Organisational Development	0.0
Policy & Performance	1.0
	8.2
New Starts	
Borough Solicitor	0.0
Borough Treasurer & Head of Assets	8.0
HR & Organisational Development	0.0
Policy & Performance	0.1
	8.1
Total Capital Programme - Perf & Capacity	16.3
FINANCING	
Supported Borrowing	0.2
Unsupported Borrowing - Prudential	4.1
Government Grants	0.6
Capital Reserve	9.9
Linked/earmarked Capital Receipts	1.3
External Contributions	0.0
Other Revenue Contributions	0.2
Total Sources of Funding	16.3

Source: Cheshire East Finance


5. Budget Impact


196. The 2011/2012 Budget Report is the result of a major process to set a balanced budget that can meet the needs of local people in the local environment. The details of the Budget have been set out in previous chapters in terms of financial stability and service proposals. This section considers the impact of the Budget on typical groups of service users in terms of any changes they may see as a result of proposals in this report.

Example Groups		Annual Charges
<p>2 Adults 2 Dependant Children</p>  <p>Typical Household Facts:</p> <p>Adults both working (full or part time) with combined net income of £43,000 per annum</p> <p>Children attending local schools</p> <p>Living in a Band E Property</p>	<p>Council Tax</p> <p>Typical Fees & Charges School Meals (190 meals x 2) Car Parking (2 hours a week) Adult weekly Swim Children's swimming Leisure Centre Membership Other spending on services (Bulky Waste, Badminton, Library CD Rental)</p> <p>Total Charges in 2010/2011</p> <p>Total increase in Charges if inflation of 4.8% for the year were added i.e. (Retail Prices Index increase)</p> <p>Actual proposed increase in charges for 2011/12</p>	<p></p> <p>£3,109</p> <p>£149</p> <p>£43</p>
<p>Service Impacts</p> <p>Families will be supported, especially in difficult times or when starting out. The Council is investing in private sector housing improvements and will provide Affordable Housing Assisted Purchase scheme loans.</p> <p>In order to provide householders with a much improved waste and recycling collection service, the Council will introduce a new harmonised system in 2011/2012 based in large measure on three wheeled bins rather than the current mix of bins, boxes and bags. This will increase the number of materials that can be recycled by all householders and reduce the costs of waste and recycling collections by more than £1m per year.</p> <p>Funding for our schools comes via a Government Grant, the Dedicated Schools Grant, which is set to ensure that an individual school's funding will not fall by more than 1.5%. A review of central funding retained by the Council is underway aiming to delegate a bigger proportion to schools to allow head teachers and their Governing Bodies to have a greater say in school spending choices.</p> <p>A review of the Council's home to school transport policy and arrangements will see subsidy removed and the introduction of charges for some denominational and post 16 transport provision.</p> <p>During the year the new Lifestyle Concept will be tested at a number of our Leisure Centres, where working with the National Health Service (NHS) and General Practitioners, along with funding transferred from the NHS, there will be an aim to make better use of our facilities to improve the health of our communities.</p>		

Example Groups	Annual Charges £	
<p>Pensioner Couple</p>  <p>Typical Household Facts:</p> <p>Private pension with combined net income of £21,000 per annum</p> <p>Living in a Band D property</p>	<p>Council Tax</p> <p>Fees & Charges Swimming Car Parking (2 hour a week) Aqua Fit (2 sessions a week) Other spending on services (Bulky Waste, renting a DVD monthly)</p> <p>Total Charges in 2010/2011</p> <p>Total increase in Charges if inflation of 4.8% for the year were added on (Retail Prices Index increase)</p> <p>Actual proposed increase in charges for 2011/12</p>	<p></p> <p>£1,774</p> <p>£85</p> <p>£6</p>
<p>Service Impacts</p> <p>Funding of £1.2m is being provided in the form of Disabled Facilities Grants, helping people to live in their own homes.</p> <p>The Council has an ambitious five year investment plan for the development of Tatton Park. The vision is to improve the experience for visitors, provide new attractions and events and eliminate public subsidy.</p> <p>Via the Lifestyle Concept facilities at our Leisure Centres will be developed to enable them to build confidence and independence with older and disabled people.</p> <p>The Council is increasing the amount invested in its Reablement Services by £3.9m in 2011/2012, which will help to enable more individuals to remain in their own homes and retain their independence. This Council will continue to assess an individual's needs and those meeting the eligibility criteria will receive care free for up to six weeks.</p> <p>Charges for social care and transport are subject to consultation.</p>		

Example Groups	Annual Charges £
<p>Local Businesses</p>  <p>Typical Facts Non Domestic Rates set by Government</p> <p>Supplementary Rates set by Cheshire East</p> <p>Liable to pay some Fees & Charges (for example licensing)</p>	<p>Central Government Inflation adjustment per September RPI (+4.6%) so rates bills will increase.</p> <p>Cheshire East Council No Supplementary Rates in 2011/2012</p> <p>Some small increases in fees in-line with current inflation</p> <p>In 2011/2012, there will be £10.9m capital investment in Highways maintenance and new start capital improvements</p>
<p>Service Impacts</p> <p>In a challenging economic climate, the Council has developed strong visions for the future of both Macclesfield and Crewe and is committed to providing strategic leadership on the major re-development of the towns.</p> <p>The Council will contribute to the development of a new Local Enterprise Partnership for Cheshire and Warrington. This will be a strong, business-led partnership responsible for driving forward economic growth. There will also be a focus on promoting the area to new investors and visitors through a 'Marketing Cheshire' initiative, bringing together visitor economy support and place marketing.</p> <p>The Planning Service has a three year programme for the preparation of the Local Development Framework; this will take forward strategies for regenerating our towns and will allocate sites for new housing and economic development, review town centre policies and develop the Council's Infrastructure Plan to support major new investment.</p>	

Example Groups	Service Impacts
<p data-bbox="213 197 632 224">Council Partners & Stakeholders</p>  <p data-bbox="213 474 724 591">For Example: Town & Parish Councils, PCT, Fire, Police, Schools, Local Area Partnerships</p>	<p data-bbox="810 197 1394 376">The Council is developing its Local Service Delivery agenda and is working with Town and Parish Councils and other local groups, exploring the potential for new arrangements in respect of the ownership, choice and provision of a range of facilities and activities.</p> <p data-bbox="810 412 1426 560">Reductions in funding to community and voluntary groups have been kept to a minimum wherever possible. Directorates have worked together to efficiently commission services from community and voluntary groups.</p> <p data-bbox="810 595 1378 685">We will make best use of the opportunities for services to be delivered by community and voluntary groups, and town and parish councils.</p> <p data-bbox="810 721 1426 775">Support to Local Area Partnerships (LAP) continues through the funding of the Partnerships team.</p> <p data-bbox="810 810 1410 958">LAP Managers will ensure co-ordinated support to neighbourhood groups, town and parish councils, voluntary organisations and other partners. They will ensure that services are joined up and able to address issues of local concern.</p> <p data-bbox="810 994 1426 1048">£625,000 of reserves remains earmarked to support the local transfer and devolution of services.</p> <p data-bbox="810 1084 1426 1173">The LAP Reserves of £625,000 will support local groups, particularly town and parish councils, to run services in their local area.</p> <p data-bbox="810 1209 1362 1415">The Council will seek to reduce expenditure on its commissioned services with impacts on our partners. Within Children and Families reductions and efficiencies of £1.235m have already resulted in a reduced service provision for the Youth Services provided locally by Connexions.</p>

Example Groups	Service Impacts
<p data-bbox="213 197 513 224">The Local Environment</p> 	<p data-bbox="810 259 1388 470">The Council is committed to reducing its energy consumption and will continue to develop strategies during 2011/2012 and over the next few years, to improve on the environmental impact of its activities and also help to minimise the adverse financial implications of any national carbon reduction-related incentive schemes.</p> <p data-bbox="810 506 1401 622">A review of the Council's role and presence in the freely available green spaces will be undertaken, aiming to reduce the overall cost of access and potentially deriving additional income.</p> <p data-bbox="810 658 1394 712">Review of Green Space policy deriving additional income of £0.45m.</p> <p data-bbox="810 748 1356 990">The Council has developed a Carbon Management Plan to reduce our carbon emissions by 25 per cent by 2015/2016, from its current baseline of 50,000 tonnes per year. Over the last year the Council has cut its emissions by over 1,000 tonnes, mainly through small technical solutions in its buildings.</p>

6. Summary of Business Planning Process 2011/2012

197. Cheshire East Council launched the Business Planning Process at Cabinet in July 2010. The process provides a framework for setting the Budget and Corporate Plan with the aim of linking resource allocation with priorities and desired performance.

198. The key stages of this process are:

Date	Meeting	Purpose
July	Launch Process	Identify funding issues, provide framework for engagement and establish key milestones
August	Set targets Quarter 1 report to Cabinet	Formalise approach for service responses. Note ongoing budget pressures
September / October	Refinement of service responses	Challenge budget proposals
October / November	Comprehensive Spending Review and autumn engagement process on the key messages.	Analyse government proposals, update key stakeholders on local impact
October: 13th 22nd 28th	Manager Conferences Leading Improvement – 'Customer Service Excellence in Challenging Times'	Briefing on Business Planning Process and Comprehensive Spending Review (CSR).
21st	Policy Briefing Paper via e-mail to all Members	Update on CSR Headlines
21st	Opposition Leaders	Update on CSR Impact and Implications
22nd	Staff Newsletter	Briefing on Business Planning Process and CSR.
27th	Overview and Scrutiny Budget Consultation Group	Update on Business Planning Process and CSR.
29th	All Member Business Planning Briefing	Update on: - Business Planning

Date	Meeting	Purpose
		Process - CSR - Potential areas of savings.
November 2 nd	Letter to all staff from the Chief Executive.	Provide information on the impact of the CSR and information regarding change of hours / contract / Voluntary Reduction Programme.
3 rd	Senior Managers Meeting	Inform managers of Business Planning and CSR Impact and Implications
4 th	Partnerships for Action in Cheshire East (PACE) Executive	Update on CSR Impact and Implications
15 th	Quarter 2 report to Cabinet	Review ongoing budget pressures and mitigating action
25 th	Consultation begins on changes to Adults charges:- 25 th Nov – Nantwich 30 th Nov – Sandbach 1 st Dec – Middlewich 6 th Jan – Crewe 7 th Jan – Wilmslow 19 th Jan – Macclesfield 21 st Jan – Poynton 27 th Jan - Knutsford	Forum to present and record feedback on proposals for changes in Adult Services. Results to be collated and reported back to Cabinet.
December 1 st	Human Resources Newsletter 'Fit for the Future'	Launch of Newsletter detailing review to be undertaken to move all employees to one new standard set of terms and conditions within 12 months.
1 st	Consultation begins on changes to Transport in Adults, Community, Health and Wellbeing Services: 1 st Dec – Middlewich (1 and 2) 21 st Jan - Knutsford	Forum to present and record feedback on proposals for changes in transport provision. Results to be collated and reported back to Cabinet.
7 th	Liberal Democrat Group	Comprehensive Spending Review Impact and Implications
7 th	Facilitated meetings begin at Day Care Centres: 7 th Dec – Hollins View	Forum to present and record feedback on proposals for changes in Adult Services.

Date	Meeting	Purpose
	13 th Dec – Peatfields 13 th Dec – Cheyne Hall 7 th Jan – Mount View 11 th Jan – Redesmere Centre 13 th Jan – Carter House 17 th Jan – Hilary Centre 19 th Jan – Mayfield Centre 24 th Jan – Stanley Centre 24 th Jan – Macon House 25 th Jan – Salinae House	Results to be collated and reported back to Cabinet.
8th	Senior Managers Meeting	Briefing on Corporate Plan and Service Planning
13 th	Provisional Financial Settlement	Government announcement on Grant Funding to Local Government
January 13th	Briefing for Directors and Scrutiny Budget Consultation Group	Update Group on impact of Finance Settlement
18 th	Briefing for all Members	Engagement on Pre Budget Report
19 th	Issue Pre Budget Report	Publicise Pre Budget report to Press & Public. Comments invited via website
20 th 21 st 25 th 26 th 27th	Partners / Third Sector Staffing Committee / Trade Unions Schools' Forum Business Town and Parish Councils	Engagement on Pre Budget Report NNDR and regeneration work. Local Service Delivery and Planning
February 14 th	Cabinet agree Budget and Corporate Plan	
24th	Council agree Budget and Corporate Plan	

The Budget Report will also be available on the Cheshire East website.

This page is intentionally left blank



Annexes to Budget Report 2011 / 2012

Our People, Our Place

Annex 1 - A Profile of the Authority

1. The Unitary Council of Cheshire East serves the area previously served by Cheshire County Council and the borough councils of Congleton, Crewe and Nantwich and Macclesfield. In addition to 'Cheshire West and Chester' on the west, Cheshire East is bounded by the Manchester conurbation to the north and east, and Newcastle-under-Lyme to the south and High Peak and Staffordshire Moorlands to the east.

Geography of the Area

2. The mix of topography, soils and land use in Cheshire East presents an area of contrasting character, ranging from the highland and lowland rural areas to the more densely-populated areas in the north east of the authority. The boundary is part of the Peak District National Park which rises significantly higher than the rest of the council area.
3. Cheshire East is characterised by wonderful countryside facilities such as Tegg's Nose Country Park, The Cloud and the Gritstone Trail as well as splendid historic towns and major national visitor attractions such as Tatton Park, castles built of the distinctive local sandstone, the Lyceum Theatre and the Heritage Trail.
4. The main rivers of Cheshire East are the Bollin and the Dane which flow into the Mersey. The River Weaver flows from its source in Peckforton to the union with Manchester Ship Canal. A number of canal systems (The Trent and Mersey, Shropshire Union and Macclesfield canals) form significant features of Cheshire East.
5. The Weaver Valley Regional Park builds on these assets, particularly the market towns, rivers, canals and the salt industry heritage of mid-Cheshire. It runs through central Cheshire, from Runcorn (the mouth of the River Weaver) in the north to Audlem in the south. The Sandstone Trail runs from Frodsham to Whitchurch.
6. There are excellent rail links both with Manchester and other parts of the country through the main West Coast routes from London through Crewe and Macclesfield to the north. The M6 is the main north-south road route, but important east-west links are established by the M56. Other main trunk roads running through Cheshire East are the A556 from Knutsford to Bowden which connects people to Manchester and the A500 linking Nantwich and Crewe to Derby.

Cheshire East and its Citizens

7. Cheshire East has an area of 116,638 hectares. The population is 362,700 (2009), making it the 3rd largest in the North West and 12th largest Authority in England. Principal concentrations of population are in the towns of Macclesfield (50,040), Crewe (50,320), Wilmslow (30,870) and Congleton (26,520). Other main towns within Cheshire East are Sandbach (17,820), Poynton (14,200), Nantwich (14,440), Middlewich (13,800), Knutsford (12,580) and Alsager (12,230).
8. Cheshire East has a diverse rural / urban profile. The area is classed as significantly rural, with more than half the population living in rural or rural market town areas. The other eight towns, although urban, have outskirts which contain areas classified as more rural than urban.

9. The population in Cheshire East has steadily increased over the past seventeen years, from 340,500 in 1991 to 362,700 in 2009. This increase in the total population is mainly due to migration into the area. The age structure of Cheshire East is slightly older than that of England & Wales. In 2008, 6% of Cheshire East's residents were aged under 5, 12% were aged 5 to 14 and 18% were aged 65 or more. The age structure of the population in Cheshire East has changed since 1991. The number of older people (aged 65+) has increased by 20% from around 54,200 in 1991 to 66,500 in 2008. The increase is greater in Congleton (34%) than Crewe & Nantwich (22%) or Macclesfield (17%).
10. The number of children (aged 0-15) in 2008 has fallen slightly (by 900) compared to 1991 to 61,900; however, whilst numbers have increased by 7% in Crewe & Nantwich they have decreased by 4% in Congleton and 6% in Macclesfield. It is forecast that by 2027 there will be around 5% fewer children living in Cheshire East than there were in 2007 whilst the number of people aged 85 or above will have doubled within the same period.
11. Cheshire East has a strong local economy which contributes 5% of the North West region's total population and 7% to regional output. Average household income is above the national average. However it is not immune from the national economic recession and unemployment has been rising rapidly. The population aged 16-64 is expected to fall by 4% between 2007 and 2027, so limiting the capacity to expand the labour supply.
12. Residents also enjoy better health than elsewhere in the region and nationally. For example, life expectancy is above the national average and incidence of smoking cigarettes is lower.
13. Educational attainment among school pupils in terms of achieving 5 or more GCSE (General Certificate of Secondary Education) grades at A*-C grade is above the national average. Cheshire East schools generally perform well; children get off to a good start with a large percentage of childcare establishments, nursery education and primary schools judged to be better than similar areas and better than standards found nationally. There is very little inadequate provision, but the proportion of secondary schools and school sixth forms that are judged to be good or better is below that found in similar areas and the national figure. Attainment levels at Key Stage 2 in primary schools places the Borough in the top 5 Local Authorities in the country for educational performance at this level. Children's Services in Cheshire East continue to 'perform well' as rated by OFSTED in its annual performance rating.
14. The crime rate in Cheshire East is one of the lowest in the country and residents are less concerned about anti-social behaviour than elsewhere. However, there is significant anxiety about victimisation.
15. The South Cheshire housing market contains the two towns of Crewe and Nantwich and a number of rural villages. Crewe is identified as being a key regional town and a gateway to the North West. It has both housing and employment ties crossing regional boundaries into the North Staffordshire and Potteries areas, and it is to this area more than Manchester that this housing area looks.

16. In the Communities of Cheshire survey 2008, the majority (93%) were satisfied with their home as a place to live and 85% were satisfied with their local area. But while the residents of Cheshire East generally enjoy good quality of life there are significant inequalities, with some areas experiencing poorer health, educational attainment and economic well-being than elsewhere. There are 14 Lower Super Output Areas among the 20% most deprived in England, according to the national measure 'Index of Multiple Deprivation'. These contain 6% of the population of the borough.

Annex 2 – Grant Funding Position 2011/2012

1. The structure of grant funding to local authorities is changing and is still under review. This annex provides information on the Specific Grants highlighted by the Secretary of State for Communities, the Rt Hon Eric Pickles MP, as well as a comprehensive list of grants for Cheshire East Council extracted from the Grants Register.
2. The table below provides further information on Specific Grants contained within a letter to all councils, in October 2010, from the Secretary of State for Communities.

Grant	Information
Dedicated Schools Grant	<i>Existing grant.</i> Ringfenced grant to support expenditure on education. Grant is received by the Council who allocate funding to schools in accordance with local agreements. For 2011/2012 several grants are being transferred into DSG, however reductions will also be made to reflect schools converting to Academy status.
Early Intervention Grant	<i>Pooling of existing money.</i> For early intervention and preventative services. This is a new streamlined grant to provide greater flexibility to target grants on local needs; to take a whole-family approach; and to use the money to encourage diversity of provision and establish payment by results.
Learning Disabilities and Health Reform	<i>Pooling of existing money and new grant.</i> The Learning Disabilities and Health Reform grant reflects the transfer of responsibility for funding and commissioning of services for adults with learning disabilities from the NHS to local authorities. The grant includes social care revenue, reported and agreed between PCTs and councils, which supported adults with learning disabilities, who previously lived in the long stay hospitals. It also includes former campus residents who have moved to community accommodation.
New Homes Bonus	<i>New Grant for 2011/2012.</i> To reward council's for increasing supply in domestic properties. Consultation is in progress for this grant so no estimate is included in this Pre-Budget Report.
Council Tax Freeze Grant	<i>New Grant for 2011/2012.</i> Payable to Councils that agree to freeze Council Tax at 2010/2011 levels (see section below for Cheshire East proposals in this area).
Housing & Council Tax Benefit Administration Grant	<i>Existing Grant.</i> Provided to Council's that administer local Housing & Council Tax benefits on behalf of the Department for Work & Pensions. Cheshire East, as a Unitary Authority deliver this function and grant payment is based on caseload.
Private Finance Initiative Grant	Annual grant to be received on an annuity basis from the Homes and Communities Agency for a period of 25 years

from 2009, towards the cost of our Round 3 Extra Care Housing scheme. This is a joint scheme with Cheshire West and Chester, with 3 sites in Cheshire East being part of the scheme, namely, Crewe, Handforth and Middlewich.

Preventing
Homelessness
Grant

Existing Grant: used to prevent homelessness.

Public Health Grant

New Grant: To start in 2013. Will be ringfenced for health spending only.

3. The table overleaf is extracted from the Cheshire East Council Grants Register, confirming the latest estimates on Government Grant Funding.

Table 17: This information is extracted from the Council Grants Register

	See Note	Adjusted 2010/2011 £m	2011/2012 £m	Actual Change £m	%
Formula					
Revenue Support Grant		8.1	16.6	8.5	
National Non Domestic Rates		55.4	53.7	-1.7	
Total Formula Grant		63.5	70.3	6.8	
Value of Specific Grants Rolled in to Formula Grant from April 2011	1	18.6	0.0	-18.6	
Gross Impact of Restructuring Local Authority Formula Grant		82.1	70.3	-11.8	-14.4%
Specific					
Ringfenced					
Dedicated Schools Grant	1, 7	231.3	229.6	-1.7	
Non Ringfenced					
Area Based Grant	2	0.0	0.0	0.0	
Early Intervention Grant	1	13.3	11.8	-1.5	
Learning Disabilities & Health Reform	1	1.6	4.0	2.4	
New Homes Bonus				0.0	
Council Tax Freeze Grant			4.4	4.4	
Housing & Council Tax Benefit		2.5	2.2	-0.3	
Administration Grant					
Council Tax Benefit		20.4	20.4	0.0	
Housing Benefit		75.1	75.1	0.0	
NNDR Admin Grant		0.6	0.6	0.0	
Private Finance Initiative Grant		0.0	0.0	0.0	
Preventing Homelessness Grant		0.1	0.3	0.2	
NHS Funding	3	0	3.9	3.9	
Sixth Form funding not yet announced		18.4	18.4	0.0	
Other Funding not yet announced	4	2.4	2.2	-0.2	
Awaiting further information	4	0.7	0.3	-0.4	
Grants claimed retrospectively	4	0.4	0.4	0.0	
Lead Local Flood Authorities		0.0	0.1	0.1	
Cheshire & Warrington Improvement and Efficiency Commission	5	0.2	0.0	-0.2	
Grants ending in 2010-11	4	3.5	0.0	-3.5	
Total Non Ringfenced		139.2	144.2	5.0	3.6%
Total Specific Grants		370.5	373.8	3.3	0.9%
Total Government Grant Funding		452.6	444.1	-8.5	-1.9%

Notes

- 1 The Appendix shows the breakdown of grants rolling into Formula Grant, DSG, Early Intervention grant and Learning Disabilities & Health Reform grant.
- 2 Grants forming part of Area Based Grant in 2010/2011 have been rolled into Formula Grant, Early Intervention Grant, Learning Disability and Health Reform Grant or have been abolished. A table tracking ABG is shown in the Appendix.
- 3 Spending against NHS Funding grant is to be negotiated with NHS.
- 4 Detailed breakdowns of these grants is available .
- 5 Grant in 2011/12 of £30,000.
- 6 The above grants information is being constantly updated, as further details are received on the 2011/12 grant settlement.
- 7 The DSG figure includes £17.1m of funding which will go to Academies. The full figure is shown here for comparison with the previous year.

Source: CLG

4. The following grants have been mainstreamed, so that they are now payable as part of the Dedicated Schools Grant:

- School Standards Grant
- Schools Standards Grant (Personalisation)
- School Development Grant (includes School Development Grant (SDG) Main, Post-Leadership Incentive Grant (LIG) Deprivation and Transition, City Learning Centers, Specialist Schools and High Performing Specialist Schools). It does not include the amount previously paid through Area Based Grant (ABG)
- School Lunch Grant
- Ethnic Minority Achievement (EMAG)
- 1-2-1 Tuition
- Extended Schools – Sustainability
- Extended Schools - Subsidy
- Targeted Support for the Primary National Strategy allocated to schools (consisting of Universal and Targeted elements, Leading Teachers, Every Child elements, Early Years Foundation Stage, and Modern Foreign Languages)
- Targeted Support for the Secondary National Strategy allocated to schools (consisting of Universal and Targeted elements and Leading Teachers)
- Diploma Formula Grant
- London Pay Addition Grant

Annex 3 - Balancing the Three Year Budget Position

Introduction

1. A comprehensive Business Planning Process was followed for the 2010/2011 Budget Setting process which resulted in a balanced position for the medium term (2010-2013). The 2011/2012 position was balanced after savings of £9.6m were programmed to be included in the budget.

Development of the Revenue Budget

2. There were several key stages in the development of the three year budget position 2011 - 2014.

Initial Estimates and July Cabinet Report

3. During the early part of 2010/2011 work began to assess the revised financial scenario facing Cheshire East Council. The high level steer at that time was to anticipate reductions of 25% over a four year period. Applying this reduction to the funding received from Central Government resulted in the need to make additional savings of £11.4m in 2011/2012 and £32.5m over the three year period. These targets were included in the Business Planning Report taken to Cabinet in July 2010 which marked the start of the Business Planning Process.

Challenge

4. In August an 'Efficiency Group' comprising members of the Corporate Management Team and Cabinet was formed to manage the process. Their initial task was to review and comment on the emerging options within each Directorate and cross directorate initiatives.
5. Initial responses were produced in early September and challenged by the Efficiency Group.

The Comprehensive Spending Review

6. The Comprehensive Spending Review (CSR) was announced on 20th October 2010. This set out more details of the savings the public sector needed to make. The announcements were interpreted and the following changes were made to the planning assumptions for 2011/2012:
 - Formula Grant: 11.6% reduction.
 - Specific and Area Based Grants: 7.25% reduction.
7. These changes increased the funding gap by £5.8m from £11.4m to £17.2m in 2011/2012.
8. Given the significant level of uncertainty over the level of funding available to the Council and concerns about the impact of underlying growth pressures being experienced in the current year that were not reflected in service budgets, Cabinet decided to adopt targets of **£30m** in 2011/2012 and £50m over the three year period.

Provisional Finance Settlement

9. The provisional local government finance settlement was released on 13th December 2010. The announcements included the removal of the majority of ringfencing in terms of use of grants.
10. The impact of the settlement and current year pressures demonstrated the Council's planning assumptions and process to generate saving options were fully justified to arrive at a balanced position.

The Pre Budget Report

11. The steps identified in the Pre Budget Report balanced the scenario for 2011/2012.

Final Settlement and the Budget Report

12. The final local government finance settlement report was released on 31 January 2011. It will be debated in the House of Commons on 9th February. Any change to the figures will be reported to Cabinet and Council.
13. The announcements made a small increase in the formula grant figures of £40,000 due to the upper limit on reduction of grant being reduced by 0.1%.
14. This change together with some refinement of service budgets and policy options have led to the Budget Report position.
15. The changes to policy options were:
 - Additional Corporate Improvement savings of £74,000.
 - Costs of contributing to the Macclesfield 750th Anniversary of £30,000.
16. In addition two significant adjustments have been processed :
 - The budget figures and grants for Council Tax Benefit and Housing Benefit have been increased by £9.5m to reflect current activity levels.
 - The Grounds Maintenance Service has been transferred from Health and Wellbeing to Places resulting in a budget transfer of £2.8m between the two areas.

Summary of Changes to Balance the Financial Scenario

17. This section will identify how the Council moved from the initial scenario position reported in July to the balanced Budget Report stage using the five measures of:
 - Measure 1 – Challenge Funding Assumptions,
 - Measure 2 – Increase Council Tax,
 - Measure 3 – Use General Reserves,
 - Measure 4 – Reduce Expenditure and
 - Measure 5 – Increase Income
18. In broad terms the amount available for services improved by £16.2m and that enabled the required level of savings to be reduced by £16.2m.

Measure 1 – Challenge Funding Assumptions

19. The July Cabinet report set out a number of key planning assumptions including: the repayment of reserves, inflation levels, and Capital Financing estimates. These assumptions were severely challenged to maximise resources available to the front line services.

- **Inflation** ~ the central contingency has been reduced from £3.8m to £1.9m. Where inflation is known services have adjusted for this pressure. A change of **-£1.9m**.
- **Capital Financing** ~ this provides for the necessary payment of Capital and interest. Following Capital Programme Challenge the figure was reduced from £15m to £13.9m. An improvement of **-£1.1m**.
- **Grants** ~ the original estimate of reductions was refined to reflect the figures actually released as part of the final settlement announcements. New grants for Council Tax freeze and NHS funding transfers reduced this impact to **-£8.5m**.
- **Severance costs** ~ the provision for severance costs was reduced to reflect a realistic profile of the costs. A change of **-£2.9m**.
- **Corporate Budget** ~ the base budget was reviewed and the Corporate budget of **£0.2m** was removed.

Overall the funding available to services was increased by £14.6m following the challenge and updating of funding assumptions.

Measure 2 – Increase Council Tax

20. **Council Tax** – several amendments were made.

- **Council Tax Increase** ~ The Coalition Government offered funding over four years in return for a freeze in Council Tax in 2011/2012. Therefore Council Tax will remain the same and the Authority will benefit from this time limited ‘freeze’ funding of £4.4m. This has been included in measure 1 above.
- **Council Tax Base** ~ the original assumption was an increase of 0.3% (£0.5m). This has been revised due to the impact of:
 - the review of single person discount,
 - the decision to reduce the discount on second homes to 10%
 - the decision to completely remove the discount on long term empty properties

Overall the result of these changes increased the tax base by 1.19% equating to a £1.6m reduction in the funding gap.

Measure 3 – Use General Reserves

21. The Council's Reserves Strategy uses risk assessment to inform the prudent level of reserves. This complies with the requirement to maintain adequate reserves (see the Borough Treasurer's comments on page 3).
22. The current financial position includes a contribution to reserves to ensure the Authority maintains a risk assessed minimum level following re-payment of transitional costs from the re-organisation process. The Reserves Strategy including a revised Risk Assessment will be included in the full Budget Report.

Overall there has been no change to the planned contribution to reserves.

23. Following the action taken in respect of measures 1 to 3 the level of savings the Council needed to make has reduced from the original savings target of £21m (being £9.6m roll forward plus £11.4m new savings) to £4.8m. This was mitigated by actions taken under measures four and five.

Measure 4 – Reduce Expenditure & Measure 5 – Increase Income

24. Service proposals were received from each directorate and challenged to deliver the following final estimates.
- **People - Children and Families Services:**
 - o Growth of £5.7m offset by savings of £5.6m to give a net position of £0.1m growth.
 - **People - Adults, Community, Health and Wellbeing:**
 - o Growth of £20.8m offset by savings of £10.7m to give a net position of £10.1m.
 - **Places:**
 - o Savings of £3.9m.
 - **Performance and Capacity:**
 - o Savings of £4.7m.
 - **Cross Directorate Issues**
 - o Savings of £6.4m.
 - **Cheshire East Total**
 - o Growth of £26.5m offset by savings of £31.3m to give a net position of **£4.8m savings.**

Development of the 2011/2012 Capital Programme

25. The Capital Strategy was approved by Cabinet on 20th September 2010. The strategy sets out the process for the development of the Capital Programme and the main criteria for the evaluation of proposed new schemes.
26. In September 2010 services were required to submit headline business cases to identify the scale of the 2011/2012 draft capital programme. Only those schemes meeting the criteria of essential maintenance, replacement or invest to save progressed to the next stage given the level of available funding.
27. The capital schemes have been considered by the Efficiency Group and discussed in the Challenge Group sessions to ensure the links with the revenue budget setting process.
28. Initial forecasts were used for available capital grant funding based on previous years allocations but with expected reductions. The announcement of specific capital grants in December 2010 revealed a significant reduction in available funding for the 2011/2012 capital programme; this has particularly affected schools, highways and housing strategy. As well as a reduction in capital grants the government is no longer providing any new Supported Borrowing allocations in 2011/2012 and 2012/2013.
29. The forecast for future capital receipts has remained at a prudent level for 2011/2012 due to the property market remaining stagnant. The Council has implemented a Disposals Policy as part of the Asset Management Plan, where property assets which are not meeting the Council's objectives will be subject to asset challenge and a process of rationalisation and disposal for surplus / under-performing property will be adopted. The Council's Capital Receipts Policy will ensure that receipts are used in the most beneficial way to support corporate priorities and strategic objectives of the Council and all receipts will be pooled centrally.
30. Given the reductions in available funding detailed above the Council has undertaken prudential borrowing to fund £16m of new starts in 2011/2012. The Council is conscious of the impact of repayment costs on the revenue budget and has only considered schemes where capital investment is required to secure longer term revenue savings and repayment costs are affordable.

Annex 4 – Minimum Revenue Provision Statement 2011/2012

Introduction

1. Under 2003 Regulations¹, local authorities are required to charge to their revenue account for each year a Minimum Revenue Provision (MRP) to account for the cost of their debt in that financial year.
2. Debt is created where capital expenditure has been financed by borrowing or other credit arrangements (e.g. finance leases); it may be self-financed or Government-supported. Supported Capital Expenditure means expenditure taken into account by Government in the calculation of the Revenue Support Grant due to the authority.
3. Prior to its amendment by the 2008 Regulations², the method authorities were required to follow in calculating MRP was prescribed. For the financial year 2007/2008 and subsequent years, the detailed calculation has been replaced with a requirement that local authorities calculate an amount of MRP which they consider to be “prudent”.
4. At the same time the Secretary of State issued guidance³ on the duty to make a prudent provision and local authorities are legally obliged to “have regard” to this guidance.
5. Authorities are required to prepare an annual statement of their policy on making MRP for submission to their Full Council. The aim is to give elected Members the opportunity to scrutinise the proposed use of freedoms conferred by the arrangements, following a shift in emphasis from regulations to guidance.

Meaning of “Prudent Provision”

6. The broad aim of a prudent provision is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant. The Secretary of State considers that the methods of making prudent provision include the options set out below.
7. For capital expenditure incurred before 1 April 2008 and incurred on or after that date if it forms part of Government-Supported Capital Expenditure:

Option 1: Regulatory Method - MRP is equal to the amount determined in accordance with the 2003 Regulations (as amended), as if they had not been revoked by the 2008 Regulations

This calculation would include any technical adjustments, as statutorily required.

Option 2: CFR Method - MRP is equal to 4% of the Capital Financing Requirement (CFR), as derived from the balance sheet at the end of the preceding financial year

¹ Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 [SI 2003/3146, as amended]

² Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 [SI 2008/414]

³ Guidance on Minimum Revenue Provision, issued by the Secretary of State for Communities and Local Government, under Section 21(1A) of the Local Government Act 2003, 28 February 2008

This produces a similar MRP charge to Option 1, but is technically simpler.

Option 3: Asset Life Method - MRP is determined by reference to the life of the asset, by equal instalment method or annuity method

MRP should commence in the financial year following the one in which expenditure was incurred, or the year following the one in which the asset becomes operational.

Option 4: Depreciation Method - MRP is to be equal to the provision required in accordance with depreciation accounting

8. For capital expenditure incurred on or after 1 April 2008 and which does not form part of Government-Supported Capital Expenditure, only *Options 3* and *4* are considered prudent under the guidance issued by the Secretary of State.
9. The move to International Financial Reporting Standards (IFRS) means that private finance initiative (PFI) schemes and operating leases may be brought on balance sheet. Where this is the case, such items are classed in accounting terms as a form of borrowing and the CFR will increase which will lead to an increase in the MRP charge to revenue. To ensure that the impact on the revenue account is neutral MRP for these items will match the principal repayment embedded within the PFI or lease agreement.
10. The Council is party to one PFI contract in respect of Extra Care Housing, this was recognised on the balance sheet in 2009/10.

Finance Leases

11. In the case of finance leases, the MRP is equal to the amount that goes to write down the Balance Sheet liability; thus *Option 3* will apply in a modified form.

Policy Statement

The Council adopts the following policies in respect of calculating its annual Minimum Revenue Provision (MRP) for 2011/2012 and subsequent years.

12. The Council will apply Option 2 (CFR Method) in respect of supported capital expenditure and Option 3 (Asset Life Method) in respect of unsupported capital expenditure.
13. Other approaches may be developed, but they will be fully consistent with the statutory duty to make prudent revenue provision. These may relate to large, complex or novel schemes. Legal advisors and external auditors will be consulted if significant departures from the guidance are proposed and any alternative approaches developed will be incorporated in future annual policy statements, for approval by Council prior to application.

Annex 5 – Prudential Borrowing Indicators

Background:

1. There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators. It should be noted that CIPFA undertook a review of the Code in early 2008, and issued a revised Code in November 2009.

Net Borrowing and the Capital Financing Requirement:

2. This is a key indicator of prudence. In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that the net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.
3. The Borough Treasurer & Head of Assets reports that the authority had no difficulty meeting this requirement in 2010/2011, nor are there any difficulties envisaged for future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

Estimates of Capital Expenditure:

4. This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax.

No. 1	Capital Expenditure	2010/11 Approved £m	2010/11 Revised £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m
	Total	103	90	77	27	22

5. Capital expenditure will be financed as follows:

Capital Financing	2010/11 Approved £m	2010/11 Revised £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m
Capital receipts	24	21	16	3	1
Government Grants	52	40	35	15	15
External Contributions	1	5	1	0	0
Revenue contributions	4	2	1	0	0
Supported borrowing	16	17	4	1	0
Unsupported borrowing	6	5	20	8	6
Total	103	90	77	27	22

Note: the element to be financed from borrowing impacts on the movement in the Capital Financing Requirement.

Ratio of Financing Costs to Net Revenue Stream:

6. This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet borrowing costs. The definition of financing costs is set out at paragraph 37 of the Prudential Code.
7. The ratio is based on costs net of investment income.

No. 2	Ratio of Financing Costs to Net Revenue Stream	2010/11 Approved %	2010/11 Revised %	2011/12 Estimate %	2012/13 Estimate %	2013/14 Estimate %
	Total	5.64	4.91	5.59	6.11	6.28

Capital Financing Requirement:

8. The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and its financing. It is an aggregation of the amounts shown for Fixed and Intangible assets, the Revaluation Reserve, the Capital Adjustment Account, Government Grants Deferred and any other balances treated as capital expenditure**.

No. 3	Capital Financing Requirement	2010/11 Approved £m	2010/11 Revised £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m
	Total CFR	184	206	221	217	212

*** in line with CIPFA's guidance, any investments or other items not falling within the classification of fixed or intangible assets, but financed from capital resources must be included within the CFR for the purposes of this calculation.*

Actual External Debt:

9. This indicator is obtained directly from the Council's balance sheet. It is the closing balance for actual gross borrowing plus other long-term liabilities. This Indicator is measured in a manner consistent for comparison with the Operational Boundary and Authorised Limit.

No. 4	Actual External Debt as at 31/03/2010	£m
	Borrowing	135
	Other Long-term Liabilities	23
	Total	157

Incremental Impact of Capital Investment Decisions:

10. This is an indicator of affordability that shows the impact of capital investment decisions on the Council. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with an equivalent calculation of the revenue budget requirement arising from the proposed capital programme.

No. 5	Incremental Impact of Capital Investment Decisions	2010/11 Approved £	2011/12 Estimate £	2012/13 Estimate £	2013/14 Estimate £
	Increase in Band D Council Tax	3.27	2.33	8.77	2.83

Authorised Limit and Operational Boundary for External Debt:

11. The Council has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Council and not just those arising from capital spending reflected in the CFR.
12. The **Authorised Limit** sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities. This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Council's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices.
13. The Authorised Limit has been set on the estimate of the most likely, prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.
14. The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).

No. 6	Authorised Limit for External Debt	2010/11 Approved £m	2010/11 Revised £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m
	Borrowing	195	197	213	208	204
	Other Long-term Liabilities		23	22	22	21
	Total	195	220	235	230	225

15. The **Operational Boundary** links directly to the Council's estimates of the CFR and estimates of other cashflow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.
16. The Borough Treasurer & head of Assets has delegated authority, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities. Decisions will be based on the outcome of financial option appraisals and best value considerations. Any movement between these separate limits will be reported to the next meeting of the Council.

No. 7	Operational Boundary for External Debt	2010/11 Approved £m	2010/11 Revised £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m
	Borrowing	185	187	203	198	194
	Other Long-term Liabilities		23	22	22	21
	Total	185	210	225	220	215

Adoption of the CIPFA Treasury Management Code:

17. This indicator demonstrates that the Council has adopted the principles of best practice.

No. 8 Adoption of the CIPFA Code of Practice in Treasury Management

The Council approved the adoption of the CIPFA Treasury Management Code at its Council meeting on 25 February 2010

The Council has incorporated the changes from the revised CIPFA Code of Practice into its treasury policies, procedures and practices.

Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure:

18. These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. This Council calculates these limits on net principal outstanding sums, (i.e. fixed rate debt net of fixed rate investments).

19. The upper limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could adversely impact on the revenue budget. The limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments.

No.		2010/11 Approved £m	2010/11 Revised £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m
9	Upper Limit for Fixed Interest Rate Exposure	100	100	100	100	100
10	Upper Limit for Variable Interest Rate Exposure	100	100	100	100	100

20. The limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements, as set out in the Council's treasury management strategy.

Maturity Structure of Fixed Rate borrowing:

21. This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

22. It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

No.	Maturity structure of fixed rate borrowing	Lower Limit	Upper Limit
11		%	%
	under 12 months	0	25%
	12 months and within 24 months	0	25%
	24 months and within 5 years	0	35%
	5 years and within 10 years	0	50%
	10 years and within 20 years	0	100%
	20 years and within 30 years	0	100%
	30 years and within 40 years	0	100%
	40 years and within 50 years	0	100%
	50 years and above	0	100%

Upper Limit for total principal sums invested over 364 days:

23. The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested.

No.	Upper Limit for total principal sums invested over 364 days	2010/11 Approved	2010/11 Revised	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate
12		%	%	%	%	%
		40	40	40	40	40

Note: Original approved limit expressed as a % of total investments. Revised and future estimates stated as maximum value.

Annex 6 - Service Budget and Capital Details

Cheshire East Council							
Objective Analysis of Services provided in 2010/2011							
	Employees	Other	Gross	Income	Income	Gross	Net
		Expenditure	Budget	Fees&Chgs	Rchgs	Income	Budget
	£000	£000	£000	£000	£000	£000	£000
Services Provided :							
Our People	240,544	249,010	489,554	(25,601)	(60,658)	(86,259)	403,295
Our Place	36,178	65,308	101,486	(20,958)	(24,388)	(45,346)	56,140
Supporting Service Delivery	34,778	123,065	157,843	(9,549)	(5,916)	(15,465)	142,378
Total Budget	311,500	437,383	748,883	(56,108)	(90,962)	(147,070)	601,813
Key Policy Proposals for 2011/2012 Budget							
						£000	£000
Our People						10,180	
Our Place						(3,872)	
Supporting Service Delivery						(4,664)	
Cross Directorate Proposals							
Borough Treasurer & Head of Assets						(2,880)	
Human Resources & Organisational Development						(3,594)	
Provisional Financial Impact of 2011/2012 Policy Proposals							(4,830)
Total Proposed Budget 2011/2012							596,983
Funded by :							
Formula Grant						-70,335	
Specific Grants						-373,754	
Sub total Government Grant Funding							-444,089
Local Taxation							-178,679
Less							
Investment & Borrowing						13,916	
Management of Reserves						5,114	
Other Economic Factors						6,755	
							25,785
Funding Available							(596,983)

Cheshire East Council - Three Year Position
--

	2011/2012	2012/2013	2013/2014
	Net Budget £000	Net Budget £000	Net Budget £000
Services Provided :			
Our People	403,295	410,871	404,221
Our Place	56,140	51,908	48,910
Supporting Service Delivery	142,378	136,792	137,033
Total Budget	<u>601,813</u>	<u>599,571</u>	<u>590,164</u>

Key Policy Proposals for 2011/2012 Budget
--

	£000	£000	£000	£000	£000	£000
Our People	10,180		(7,334)		(2,081)	
Our Place	(3,872)		(3,085)		(1,445)	
Supporting Service Delivery	(4,664)		(1,498)		(1,425)	
Additional Savings to be found through Directorate Challenge			(500)		(3,983)	
Cross Directorate Proposals						
Borough Treasurer & Head of Assets	(2,880)		(600)		(600)	
Human Resources & Organisational Development	(3,594)		(1,658)		-	
Provisional Financial Impact of 2011/2012 Policy Proposals		<u>(4,830)</u>		<u>(14,675)</u>		<u>(9,534)</u>
Total Proposed Budget 2011/2012		<u>596,983</u>		<u>584,896</u>		<u>580,630</u>
Funded by :						
Formula Grant	(70,335)		(63,197)		(62,692)	
Specific Grants	(373,754)		(372,533)		(370,176)	
Sub total Government Grant Funding		(444,089)		(435,730)		(432,868)
Local Taxation		(178,679)		(179,215)		(179,753)
Less						
Investment & Borrowing	13,916		15,217		15,641	
Management of Reserves	5,114		6,063		7,874	
Other Economic Factors	6,755		8,769		8,476	
		25,785		30,049		31,991
Funding Available		<u>(596,983)</u>		<u>(584,896)</u>		<u>(580,630)</u>
Gap/(surplus)		-		-		-

Capital Programme 2011/12 - 2013/14

	2011-12 £000	2012-13 £000	2013-14 £000	Total £000
Adults, Health & Wellbeing				
Committed schemes				
Adult Services	1,910	0	0	1,910
Health and Wellbeing	2,490	750	0	3,240
	4,400	750	0	5,150
New Starts				
Adult Services	200	0	0	200
Health and Wellbeing	735	0	0	735
	935	0	0	935
Total Capital Programme - Adults, Health & Wellbeing	5,335	750	0	6,085
Children & Families				
Committed schemes	14,299	2,414	0	16,713
New Starts	11,459	950	950	13,359
Total Capital Programme - Children & Families	25,758	3,364	950	30,072
Places				
Committed schemes				
Environmental Services	3,162	2,336	4,201	9,699
Safer & Stronger Communities	645	160	0	805
Planning & Policy	1,340	0	0	1,340
Regeneration	3,281	2,488	295	6,064
	8,428	4,984	4,496	17,908
New Starts				
Environmental Services	1,950	0	0	1,950
Safer & Stronger Communities	0	150	150	300
Planning & Policy	1,840	600	600	3,040
Regeneration	17,360	11,520	10,728	39,608
	21,150	12,270	11,478	44,898
Total Capital Programme - Places	29,578	17,254	15,974	62,806
Performance & Capacity				
Committed schemes				
Borough Treasurer & Head of Assets	7,240	1,095	1,094	9,429
Policy & Performance	1,005	0	0	1,005
	8,245	1,095	1,094	10,434
New Starts				
Borough Treasurer & Head of Assets	8,029	4,693	4,100	16,822
Policy & Performance	35	0	0	35
	8,064	4,693	4,100	16,857
Total Capital Programme - P & C	16,309	5,788	5,194	27,291
Total Committed schemes	35,372	9,243	5,590	50,205
Total New Starts	41,608	17,913	16,528	76,049
Total Capital Expenditure	76,980	27,156	22,118	126,254

Our People

Objective Analysis of Services provided in 2010/2011							
Services	Employees £000	Other Expenditure £000	Gross Budget £000	Income Fees&Chgs £000	Income Rechgs £000	Gross Income £000	Net Budget £000
Children and Families	186,047	132,488	318,534	(11,867)	0	(11,867)	306,668
Adults, Community, Health and Wellbeing	54,498	116,522	171,020	(28,414)	(45,978)	(74,392)	96,628
Total Budget	240,544	249,010	489,555	(40,281)	(45,978)	(86,259)	403,296

Key Policy Proposals for 2011/2012 Budget	
---	--

	£000
--	-------------

Children and Families	123
Adults, Community, Health and Wellbeing	10,057

Provisional Financial Impact of 2011/2012 Policy Proposals	10,180
---	---------------

Total Proposed Budget 2011/2012	413,476
--	----------------

Children and Families
Director of Service - Lorraine Butcher

Objective Analysis of Services provided in 2010/2011

	Employees	Other Expenditure	Gross Budget	Income	Net Budget
	£000	£000	£000	£000	£000
Services Provided :					
Schools (ISB)	150,908	31,760	182,668		182,668
Integrated Delivery	19,079	27,993	47,072	(1,890)	45,182
Improvement and Achievement	11,786	69,069	80,855	(2,206)	78,649
School Catering	4,274	3,666	7,939	(7,771)	168
	186,047	132,488	318,534	(11,867)	306,668

Note: the above includes £200.642m DSG, shown overleaf

Key Policy Proposals for 2011/2012 Budget

	£000	£000
Increases in Net Budget		
Increased numbers of looked after children	4,000	
Investment in residential provision	780	
Realignment of transport budgets	989	
Sub total		5,769
Decreases in Net Budget		
Reductions to services in line with changes to grant funding levels	(2,500)	
Further efficiencies from commissioned services	(1,235)	
Reduce Children in Care Placements	(1,325)	
Review of Family Centres / Family Support	(430)	
Review Short Break Provision	(156)	
Sub total		(5,646)
Provisional Financial Impact of 2011/2012 Policy Proposals		123
Total Proposed Budget 2011/2012		306,791

Children and Families - Dedicated Schools Grant
--

Objective Analysis of Services provided in 2010/2011

Services Provided :	Employees £000	Other Expenditure £000	Gross Budget £000
Schools ISB			
Primary	71,231	14,850	86,081
Secondary	60,829	13,099	73,928
Special	4,539	730	5,269
Total Schools ISB	136,599	28,679	165,278
Other Provision			
Sandbach School	3,370	739	4,109
Private Voluntary and Independent Nurseries	5,644	1,239	6,883
Total Other Schools	9,014	1,978	10,992
Total Central Spend	10,236	14,136	24,372
Final 2010/2011 DSG	155,849	44,793	200,642

Key Policy Proposals for 2011/2012 Budget
--

Increases in Net Budget

Increased allocation of DSG	350	
Main streamed grants	28,627	
Increased costs associated with Pupil Premium	2,003	
Inflation Requirements	2,309	
Additional Special Educational Needs Requirements	1,500	
Withdrawal of Financial Management Standards in Schools	(99)	
Special Schools - phasing out of protection	72	
Special Schools - Shortfall in 2010/11 Funding	17	
Special Schools - Increase in Complex Needs Places	100	
Early Years additional entitlement	540	
Academies Schools Budget element of LA Central Spend Equivalent	180	
Grant Reductions in grant funding due to Academy conversions	17,067	
Sub total		52,666

Decreases in Net Budget

New Pupil Premium Funding	(2,003)	
Contribution from centrally retained DSG budget	(2,000)	
Proposals to be determined by schools	(2,619)	
Reduction in allocations required due to Academy conversions	(17,067)	
Sub total		(23,689)

Total Proposed DSG

	229,619
--	----------------

Note 1: the above figures are subject to review in the light of the latest pupil number figures which will impact on the anticipated DSG receivable.

Note 2: Three schools have converted to Academies during 2010/2011. For 2011/2012, the funding paid to the Council will be reduced by £17m, to reflect allocations which will be paid directly to Academies.

CHESHIRE EAST - CAPITAL PROGRAMME 2011-12

Capital Programme - Children & Families	Total Budget	Prior Year Spend	Forecast Expenditure	Forecast Expenditure	Forecast Expenditure
	£000's	£000's	2011-12 £000's	2012-13 £000's	2013-14 £000's
Children & Families					
Ongoing Schemes					
Devolved Formula Capital 07-08	5,169	5,103	66		
Devolved Formula Cap 08-09	5,131	4,404	727		
Devolved Formula Capital 09-10	5,693	3,658	1,220	815	
Devolved Formula Capital - In Advance	2,277	1,363	914		
Extended Schools 09/10	363	195	168		
Extended Schools 10/11	132	0	132		
14-19 diploma	1,000	450	550		
Contact Point / Further Dev of Children's Hub/ e-CAF	382	102	280		
Stapely Broad Lane PS - Replacement temp accomm	922	673	249		
Offley Primary School	888	878	10		
Electronic Social Care Records (ESCR)	350	250	100		
Schools - Access Initiative	1,251	150	1,101		
Targetted Capital Funding (TCF) 14 - 19 Diploma	2,671	0	2,671		
Devolved Formula Capital 10-11	3,493	674	1,220	1,599	
Harnessing Technology	244	143	101		
Schools Modernisation Programme	3,546	50	3,496		
Schools - Basic Need	1,202	408	794		
Land Block 10-11	67	3	64		
Land Drainage 10-11	63	31	32		
Feasibility 10-11	82	25	57		
VA Contributions 10-11	13	0	13		
Alsager H S Perf Arts Cent	1,134	700	334		
Total Ongoing Schemes	36,073	19,259	14,299	2,414	0
New Starts 2011-12					
Basic Need	1,300		1,300		
Capital Maintenance Allocation	5,700		5,700		
Devolved Formula Capital 2011-12	1,009		1,009		
Residential Development Programme	1,150		1,150		
Short Break Re Provision	700		700		
Pupil Referral Unit	1,500		1,500		
Specialist Special Needs Provision	2,000		100	950	950
Total New Starts 2011-12	13,359	0	11,459	950	950
Total Children & Families Programme	49,432	19,259	25,758	3,364	950

Adults, Community, Health and Wellbeing Director of Service - Phil Lloyd

Objective Analysis of Services provided in 2010/2011

	Employees	Other	Gross	Income	Income	Gross	Net
		Expenditure	Expenditure	Fees&Chgs	Rechgs	Income	Budget
Services Provided :	£000	£000	£000	£000	£000	£000	£000
Adults	41,607	107,362	148,970	(18,643)	(45,534)	(64,177)	84,793
Health and Wellbeing	12,890	9,160	22,050	(9,771)	(444)	(10,215)	11,835
Total Budget	54,498	116,522	171,020	(28,414)	(45,978)	(74,392)	96,628

Key Policy Proposals for 2011/2012 Budget
--

	£000	£000
<u>Increases in Net Budget:</u>		
Impact of Increasing population and complex packages of care	11,800	
Health and Wellbeing Building Based Review	849	
Care4CE Trading Company Options Appraisal (temporary)	200	
Valuing People Now - Interim Transfer into Learning Disabilities Pool	4,021	
NHS Reablement Monies - Section 256 Agreement	3,906	
		20,776
<u>Decreases in Net Budget</u>		
Maximise Income (increased / new charges) - subject to consultation in Adults	(990)	
Further Ongoing Care4CE Efficiencies	(1,080)	
Procurement and Expenditure Savings - Adults Services	(1,352)	
Staffing Reductions across the Directorate	(1,025)	
Review of Green Spaces	(225)	
Review Building Based Services / Provider Services	(1,150)	
Transport Reductions - subject to consultation in Adults	(800)	
Health and Wellbeing Building Based Review	(774)	
Lifestyle Concept - Reductions in Expenditure / New Income	(1,023)	
External Care Cost Reductions through Individual Social Worker Budgets	(800)	
Further Departmental Savings / Social Care Redesign Phase 2 (to be allocated)	(1,500)	
		(10,719)
Provisional Financial Impact of 2011/2012 Policy Proposals		10,057
Total Proposed Budget 2011/2012		106,685

CHESHIRE EAST - CAPITAL PROGRAMME 2011-12

Capital Programme - Adults, Health & Well-being	Total Budget	Prior Year Spend	Forecast Expenditure	Forecast Expenditure	Forecast Expenditure
	£000's	£000's	2011-12 £000's	2012-13 £000's	2013-14 £000's
Adults, Community and Health & Wellbeing					
Adults					
Ongoing Schemes					
CAF Phs 2 Demonstrator	2,235	1,235	1,000		
Social Care IT Infrastructure	95	20	75		
Modernising ICT Delivery	638	563	75		
Enabling Model of Social Care	58	10	48		
Extra Care Housing	2,907	2,358	549		
Community Services Flexible and Mobile working	650	537	113		
Adults Protect into Paris	50	0	50		
Total Ongoing Schemes	6,633	4,722	1,910	0	0
New Starts 2011-12					
Business Systems for Transformation	200		200		
Total New Starts 2011/12	200	0	200	0	0
Total Adults	6,833	4,722	2,110	0	0
Health & Wellbeing					
Ongoing Schemes					
Sandbach United Football complex	2,200	1,224	1,008		
Badger Relocation	115	68	47		
Nantwich Pool Enhancements (part-funding)	1,385	0	1,035	350	
Radio Frequency ID (RFID)	1,200	400	400	400	
Total Ongoing Schemes	4,900	1,692	2,490	750	0
New Starts 2011-12					
Re-location of Library Services	285		285		
Refurbishment of Oakley Centre	250		250		
Leisure Centre ICT Membership System	200		200		
Total New Starts 2011/12	735	0	735	0	0
Total Health & Well-being	5,635	1,692	3,225	750	0
Total Adults, Community and H&W Programme	12,468	6,414	5,335	750	0

Places
Strategic Director - John Nicholson

Objective Analysis of Services provided in 2010/2011

	Employees	Other	Gross	Income	Income	Gross	Net
		Expenditure	Expenditure	Fees&Chgs	Rechgs	Income	Budget
Services Provided :	£000	£000	£000	£000	£000	£000	£000
Environmental Services	16,199	36,862	53,061	(4,605)	(10,201)	(14,806)	38,255
Safer & Stronger Communities	5,005	3,393	8,399	(7,159)	(76)	(7,235)	1,164
Planning & Housing	6,532	1,655	8,187	(4,097)	(68)	(4,165)	4,021
Regeneration	8,442	23,398	31,840	(5,096)	(14,043)	(19,140)	12,701
Total Budget	36,178	65,308	101,487	(20,958)	(24,388)	(45,346)	56,141

Key Policy Proposals for 2011/2012 Budget

	£000	£000
Environmental Services	(733)	
Safer & Stronger Communities	(922)	
Planning & Housing	(1,022)	
Regeneration	(1,195)	
Financial Impact of 2011/2012 Policy Proposals		(3,872)
Total Proposed Budget 2011/2012		52,269

Environmental Services
Head of Service - Phil Sherratt

Objective Analysis of Services provided in 2010/2011

	Employees	Other	Gross	Income	Income	Gross	Net
		Expenditure	Expenditure	Fees&Chgs	Rechgs	Income	Budget
	£000	£000	£000	£000	£000	£000	£000
Services Provided :							
Waste & Recycling	7,117	23,006	30,123	(983)	(5,610)	(6,593)	23,530
Highways Operations	3,527	8,776	12,303	(230)	(2,606)	(2,836)	9,467
Streetscape & Bereavement	5,555	5,080	10,635	(3,392)	(1,985)	(5,377)	5,258
	16,199	36,862	53,061	(4,605)	(10,201)	(14,806)	38,255

Key Policy Proposals for 2011/2012 Budget

	£'000	£'000
Increases in Net Budget:		
Waste & Recycling:		
Waste disposal - increased running costs	214	
Transport - Total Transport Project - fleet review	55	
Underlying running cost pressures - pay budget & external income	206	
Highways Operations:		
Structure review	80	
Highways Maintenance - exceptional inflation	302	
Underlying running cost pressures - pay budget & recharge to capital	300	
Streetscape & Bereavement:		
Review/impact of former highways works team	135	
Underlying running cost pressures - pay budget & external income	220	
Sub-total		1,512
Decreases in Net Budget:		
Waste & Recycling:		
Waste Collection & Recycling - new waste collection and recycling service	(726)	
Waste Collection & Recycling - Review of charges	(59)	
Highways Operations:		
Street Lighting former districts - reduction of 2010/2011 one off growth	(100)	
Highways Re-procurement - review of term contract arrangements	(500)	
Streetscape & Bereavement:		
Bereavement services - new prices to improve overall recovery of costs	(390)	
Markets - review of charges	(200)	
Grounds Maintenance - structure & running costs review	(260)	
Review of Britain in Bloom grants	(10)	
Sub-total		(2,245)
Financial Impact of 2011/2012 Policy Proposals		(733)
Total Proposed Budget 2011/2012		37,522

**Safer & Stronger Communities
Head of Service - Peter Hartwell**

Objective Analysis of Services provided in 2010/2011

	Employees	Other	Gross	Income	Income	Gross	Net
	£000	Expenditure £000	Expenditure £000	Fees&Chgs £000	Rechgs £000	Income £000	Budget £000
Services Provided :							
Community Safety	1,160	1,032	2,192	(124)	(76)	(200)	1,991
Regulatory Services	2,903	605	3,509	(1,134)	-	(1,134)	2,375
Parking	942	1,756	2,698	(5,901)	-	(5,901)	(3,202)
Total Budget	5,005	3,393	8,399	(7,159)	(76)	(7,235)	1,164

Key Policy Proposals for 2011/2012 Budget

	£'000	£'000
Increases in Net Budget:		
Regulatory Services:		
Reduction in pest control & CCTV income	55	
Sub-total		55
Decreases in Net Budget:		
Service:		
Community Safety:		
Review of structure	(150)	
Emergency Planning - extend joint working	(25)	
Review Community Safety Development (thematic work)	(62)	
Regulatory Services:		
Review of structures	(300)	
Review of charges	(34)	
Review Animal Health	(20)	
Car Parking:		
Revisions to Car Parking Income estimates	(289)	
Additional car park income - enforcement teams	(52)	
Residents car parking schemes	(35)	
Retender of cash collection contract	(10)	
Sub-total		(977)
Financial Impact of 2011/2012 Policy Proposals		(922)
Total Proposed Budget 2011/2012		242

Planning & Housing Head of Service - Adrian Fisher

Objective Analysis of Services provided in 2010/2011

	Employees	Other	Gross	Income	Income	Gross	Net
		Expenditure	Budget	Fees&Chgs	Rechgs	Income	Budget
	£000	£000	£000	£000	£000	£000	£000
Services Provided :							
Spatial Planning	786	202	988	-	-	-	988
Building Control	996	138	1,134	(1,413)	-	(1,413)	(280)
Development Management	3,246	813	4,059	(2,432)	(42)	(2,474)	1,585
Housing Strategy	1,504	502	2,006	(252)	(26)	(278)	1,728
Total Budget	6,532	1,655	8,187	(4,097)	(68)	(4,165)	4,021

Key Policy Proposals for 2011/2012 Budget
--

	£'000	£'000
Increases in Net Budget:		
Building Control:		
Impact of new Government regulations	75	
Sub-total		75
Decreases in Net Budget:		
Spatial Planning:		
Review of structure and reduction in running costs	(215)	
Development Management:		
Planning & Land Charges increased income	(225)	
Transformation project	(335)	
Review of contribution to Regional Flood Committee	(102)	
Housing Strategy:		
Reduction in running costs & additional income	(220)	
Sub-total		(1,097)
Financial Impact of 2011/2012 Policy Proposals		(1,022)
Total Proposed Budget 2011/2012		2,999

Regeneration
Head of Service - Caroline Simpson

Objective Analysis of Services provided in 2010/2011

	Employees	Other Expenditure	Gross Budget	Income Fees&Chgs	Income Rechgs	Gross Income	Net Budget
Services Provided :	£000	£000	£000	£000	£000	£000	£000
Strategic Highways & Transportation	4,640	19,389	24,029	(1,607)	(13,860)	(15,467)	8,562
Visitor Economy	2,309	1,838	4,148	(2,974)	-	(2,974)	1,174
Economic Development	1,233	1,471	2,704	(515)	-	(515)	2,189
Performance Improvement Unit	259	700	960	(0)	(184)	(184)	776
Total Budget	8,442	23,398	31,840	(5,096)	(14,043)	(19,140)	12,701

Key Policy Proposals for 2011/2012 Budget

	£'000	£'000
Increases in Net Budget:		
Strategic Highways & Transportation:		
Local Bus contracts - increased running costs	71	
Visitor Economy:		
Nantwich Food Festival pump priming	10	
Contribution to Macclesfield 750th Anniversary	30	
Economic Development:		
Sub Regional Economic Development Partnership Working	260	
Sub-total		371
Decreases in Net Budget:		
Strategic Highways & Transportation:		
Transport Transformation project	(225)	
New Road Safety partnership working arrangements	(543)	
Visitor Economy:		
Tatton Park - Invest to Save Project (Subsidy reduction)	(99)	
Reduction in running costs (marketing & promotion)	(40)	
Economic Development:		
Review of 3rd party contributions	(37)	
Carbon Reduction - reduction in running costs	(72)	
Reduction in former grant funded activities	(500)	
Business Support:		
Reduction in running costs	(50)	
		(1,566)
Financial Impact of 2011/2012 Policy Proposals		(1,195)
Total Proposed Budget 2011/2012		11,506

Capital Programme - Places	Total Budget	Prior Year Spend	Forecast Expenditure	Forecast Expenditure	Forecast Expenditure
	£000's	£000's	2011-12 £000's	2012-13 £000's	2013-14 £000's
Places					
Ongoing Schemes					
Environmental Services					
Development of land at Alderley Edge Cemetery	100	20		80	
Queens Park Restoration	6,605	6,105	500		
Crewe and Macc HWRCs	150	120	30		
Alderley Edge By-Pass Scheme Implementation	51,600	43,315	1,828	2,256	4,201
LTP - Bridge Maintenance - Minor Works	930	456	100		
De-Trunked Rds - A51 Landslip, Wardle	200	60	140		
Crematoria - Replacement cremators	450		450		
Replacement Bin Stock	36		36		
Cemetery road and path improvements	100	22	78		
Total Environmental Services	60,171	50,098	3,162	2,336	4,201
Planning & Policy					
Private Sector Assistance Initiative	1,495	995	500		
Choice Based Lettings	232	192	40		
Private Sector Housing Assistance Initiative	800	300	500		
Affordable Housing - Assisted Purchase Scheme	300		300		
Total Planning & Policy	2,827	1,487	1,340	0	0
Regeneration					
Parkgate	1,381	281	200	900	
LTP - Crewe Infrastructure Project	962	362	300	300	
Crewe Town Squares/ Shopping Facilities & Toilets	3,012	1,874	100	1,038	
Section 278 Agreements - (2008-09)	356	139	2		
Section 278's - 09-10 New Starts	68	64	4		
Non LTP s278s	56	16	40		
Town Centres Spatial Regeneration	845	50	250	250	295
Tatton - Development	240	55	185		
Poynton Revitalisation Scheme	3,500	1,300	2,200		
Total Regeneration	10,420	4,140	3,281	2,488	295
Safer & Stronger Communities					
CDRP - Building Safer Communities Fund	94	80	14		
Residents Parking Schemes	480	160	160	160	
Car Park Improvements	156	81	75		
CCTV /UTC Rationalisation	899	503	396		
Total Safer & Stronger Communities	1,629	824	645	160	0
Total Ongoing Schemes	75,047	56,549	8,428	4,984	4,496
New Starts 2011-12					
Environmental Services					
Materials Waste Transfer Facility	650		650		
Wheeled Bins for Comingled Waste	1,300		1,300		
Total Environmental Services	1,950	0	1,950	0	0
Planning & Policy					
Disabled Facilities for Cheshire East Residents	1,240		1,240		
Private Sector Assistance	900		300	300	300
Assisted Purchase Scheme	900		300	300	300
Total Planning & Policy	3,040	0	1,840	600	600
Regeneration					
Regeneration Business Support	700		300	200	200
LTP Major Schemes	1,000		1,000		
LTP Local Measures & Network Management	350		350		
LTP Road Safety	425		425		
LTP Accessibility	206		206		
LTP Strategic Delivery	250		250		
LTP Highways & Bridge Maintenance Projects	8,650		8,650		
Integrated Transport Block Funding	4,562			2,281	2,281
Highways Maintenance Block Funding	16,696			8,469	8,227
Tatton Park Investment	6,039		6,039		
Bridges Maintenance Programme	130		90	20	20
Vaudrey's Wharf Canal	600		50	550	
Total Regeneration	39,608	0	17,360	11,520	10,728
Safer & Stronger Communities					
Car Park Improvements	300		0	150	150
Total Safer & Stronger Communities	300	0	0	150	150
Total New Starts 2011-12	44,898	0	21,150	12,270	11,478
Total Places Schemes	119,945	56,549	29,578	17,254	15,974

PERFORMANCE AND CAPACITY

Objective Analysis of Services provided in 2010/2011							
	Employees	Other	Gross	Income	Income	Income	Net
	£000	Expenditure	Budget	Fees&Chgs	Rechgs	£000	Budget
	£000	£000	£000	£000	£000	£000	£000

Services :

Borough Treasurer & Head of Assets	19,706	117,208	136,914	(8,342)	(4,530)	(12,872)	124,042
HR & Organisational Development	4,009	477	4,486	0	(1,354)	(1,354)	3,132
Borough Solicitor	3,944	3,308	7,252	(894)	(25)	(919)	6,333
Policy & Performance	6,673	2,045	8,717	(313)	(7)	(320)	8,397
Corporate Improvement	446	27	473	0	0	0	473
Total Directorate Budget	34,778	123,065	157,842	(9,549)	(5,916)	(15,466)	142,377

Key Policy Proposals for 2011/2012 Budget
--

	£000
Borough Treasurer & Head of Assets	(2,983)
HR & Organisational Development	123
Borough Solicitor	(495)
Policy & Performance	(1,235)
Corporate Improvement	(74)
Provisional Financial Impact of 2011/2012 Policy Proposals	(4,664)
Total Proposed Budget 2011/2012	137,713

Cross Directorate Proposals managed by Performance & Capacity**Decreases in Net Budget**

Business Management Review	(750)
Shared Services – Improvement in Performance	(300)
Incremental Savings on energy	(80)
Flexible Mobile working / Information Management	(100)
Introduction of a programme of targeted procurement activity that will produce savings in a number of spend categories	(1,400)
Additional procurement savings to fund improvements in procurement practices	(250)
HR Salary Sacrifice Scheme / Reed contract review	(490)
Pay Harmonisation - subject to consultation	(2,400)
Savings from offer of Voluntary Redundancies	(600)
Unison budget transfer from services	(104)
	(6,474)

Borough Treasurer & Head of Assets
Head of Service - Lisa Quinn

Objective Analysis of Services provided in 2010/2011

Services Provided :	Employees	Other	Gross	Income	Income	Income	Net
	£000	Expenditure	Budget	Fees&Chgs	Rechgs	£000	Budget
		£000	£000	£000	£000		£000
Building Maintenance	0	3,410	3,410	0	0	0	3,410
Farms Estate	98	382	480	(553)	0	(553)	(73)
Property Services	3,651	6,009	9,660	(2,221)	(17)	(2,238)	7,422
Facilities Management	2,233	1,063	3,296	(21)	(2,890)	(2,911)	385
ICT Strategy	1,479	1,470	2,949	(250)	0	(250)	2,699
ICT Shared Service	3,238	1,458	4,696	(1,104)	0	(1,104)	3,592
Revenues	1,427	488	1,915	(708)	0	(708)	1,207
Benefits	2,165	96,850	99,015	(759)	0	(759)	98,256
Finance	3,540	4,156	7,696	(331)	(1,379)	(1,710)	5,986
Finance Shared Service	957	120	1,077	(50)	(244)	(294)	783
CBS Supplies	522	1,759	2,281	(2,345)		(2,345)	(64)
Procurement	396	43	439	0	0	0	439
Total Budget	19,706	117,208	136,914	(8,342)	(4,530)	(12,872)	124,042

Key Policy Proposals for 2011/2012 Budget

	£000	£000
Increases in Net Budget		
Street Lighting - Exceptional inflation	453	
3C Waste royalties	119	
Rental income	87	
Finance admin re HR Salary Sacrifice Scheme	14	
Improving Procurement practices - Growth, recovered from savings generated	250	
Sub total		923
Decreases in Net Budget		
Asset Management Staff Reductions / Facilities Management		
Efficiencies	(258)	
Asset Management - Provision for Risk Assessment & Essential		
Improvement (provision in 2010/2011 only)	(500)	
Asset Challenge	(2,000)	
Assets - Structure Reductions	(100)	
Street Lighting - Energy saving	(10)	
ICT Strategy savings / capitalisation	(615)	
ICT Efficiency Savings	(183)	
Finance Business Changes and Oracle Optimisation	(141)	
Finance - Optimisation of Revenue and Benefits and Insurance Saving	(99)	
Sub total		(3,906)
Provisional Financial Impact of 2011/2012 Policy Proposals		(2,983)
Total Proposed Budget 2011/2012		121,059

Cross Directorate Proposals managed by Borough Treasurer & Head of Assets

Decreases in Net Budget	
Shared Services – Improvement in Performance	(300)
Business Management Review	(750)
Incremental Savings on energy	(80)
Flexible Mobile working / Information Management	(100)
Introduction of a programme of targeted procurement activity that	(1,400)
Additional procurement savings to fund improvements in	(250)
procurement practices	
	(2,880)

Human Resources and Organisational Development
Head of Service - Paul Bradshaw

Objective Analysis of Services provided in 2010/2011

Services Provided :	Employees £000	Other Expenditure £000	Gross Budget £000	Income Fees&Chgs £000	Income Rechgs £000	Income £000	Net Budget £000
HR Strategy and Policy	962	77	1,039	0	(145)	(145)	894
OHU Shared Service	268	65	333	0	(235)	(235)	98
Organisation & Workforce	529	187	716			0	716
HR Back Office Shared Service	1,214	63	1,277	0	(591)	(591)	686
HR Delivery	1,036	85	1,121	0	(383)	(383)	738
Total Budget	4,009	477	4,486	0	(1,354)	(1,354)	3,132

Key Policy Proposals for 2011/2012 Budget

	£000	£000
Increases in Net Budget		
Build Organisational Capacity - Develop Workforce	41	
HR Salary Sacrifice Scheme administrator	13	
Unison posts funded from budget transfer	104	
Sub total		158

Decreases in Net Budget		
Employee Assistance Programme	(35)	
Sub total		(35)

Provisional Financial Impact of 2011/2012 Policy Proposals	123
---	------------

Total Proposed Budget 2011/2012	3,255
--	--------------

Cross Directorate Proposals managed by HR & Organisational Development

Decreases in Net Budget		
Employers' National Insurance savings from uptake of salary sacrifice schemes for bikes, computers and lease cars / Reduced agency costs under the Reed contract	(490)	
Pay Harmonisation - subject to consultation	(2,400)	
Savings from offer of Voluntary Redundancies	(600)	
Unison budget transfer from services	(104)	
		(3,594)

Borough Solicitor
Head of Service - Caroline Elwood

Objective Analysis of Services provided in 2010/2011

	Employees	Other Expenditure	Gross Budget	Income Fees&Chgs	Income Rechgs	Income	Net Budget
	£000	£000	£000	£000	£000	£000	£000
Services Provided :							
Legal Services	1,650	265	1,915	(77)	(25)	(102)	1,813
Democratic & Registration Services	2,294	3,043	5,337	(817)		(817)	4,520
Total Budget	3,944	3,308	7,252	(894)	(25)	(919)	6,333

Key Policy Proposals for 2011/2012 Budget
--

	£000	£000
Increases in Net Budget		
No proposals		
 Decreases in Net Budget		
Increase Schools Income & Recoverable Costs on Property Transactions etc	(20)	
Rationalisation in Democratic Services area	(80)	
Registration Service Income Generation / Civic Expenditure	(265)	
Remove Trainee Post and Further Reduction in Scrutiny Function	(30)	
Restructure Registration Services	(50)	
Schools Income from Admission Appeals	(50)	
Sub total		(495)
 Provisional Financial Impact of 2011/2012 Policy Proposals		(495)
 Total Proposed Budget 2011/2012		5,838

Policy & Performance Head of Service - Vivienne Quayle

Objective Analysis of Services provided in 2010/2011

	Employees	Other	Gross	Income	Income	Income	Net
		Expenditure	Budget	Fees&Chgs	Rechgs		Budget
Services Provided :	£000	£000	£000	£000	£000	£000	£000
Customer Services	2,822	441	3,263	(184)	(7)	(191)	3,072
Planning & Performance	1,023	135	1,158	(62)	0	(62)	1,096
Audit & Compliance	935	68	1,003	0	0	0	1,003
Partnerships	943	1,140	2,083	0	0	0	2,083
Communications	950	261	1,211	(67)	0	(67)	1,144
Total Budget	6,673	2,045	8,717	(312)	(7)	(320)	8,397

Key Policy Proposals for 2011/2012 Budget

	£000	£000
Increases in Net Budget		
Prudential Borrowing Charge	120	
Public Health Interim Role	150	
Sub total		270
 Decreases in Net Budget		
Tourist Information Centres to become self funding	(45)	
Reducing Demand for Customer Services	(100)	
Review face to face access in Sandbach	(75)	
Targeted Efficiencies	(125)	
Transfer 6 Customer Service Outlets to Libraries	(240)	
Reduce Audit Resource	(200)	
Reduce Community Grants	(100)	
Reduce ABG Cohesion Grant	(50)	
Reduce Communications Spend	(150)	
Review Management Structure	(420)	
Sub total		(1,505)
 Provisional Financial Impact of 2011/2012 Policy Proposals		(1,235)
 Total Proposed Budget 2011/2012		7,162

Corporate Improvement Head of Service - Ceri Harrison
--

Objective Analysis of Services provided in 2010/2011

	Employees	Other	Gross	Income	Income	Income	Net
	£000	Expenditure	Budget	Fees&Chgs	Rechgs		Budget
		£000	£000	£000	£000	£000	£000
Services Provided :							
Corporate Improvement	446	27	473	0	0		473
Total Budget	446	27	473		0	0	473

Key Policy Proposals for 2011/2012 Budget

	£000	£000
Increases in Net Budget		
No proposals		
 Decreases in Net Budget		
Reductions in grant funding	(74)	
 Sub total		(74)
 Provisional Financial Impact of 2011/2012 Policy Proposals		(74)
 Total Proposed Budget 2011/2012		399

Capital Programme - Performance & Capacity	Total Budget	Prior Year Spend	Forecast Expenditure	Forecast Expenditure	Forecast Expenditure
	£000's	£000's	2011-12 £000's	2012-13 £000's	2013-14 £000's
Borough Treasurer & Assets					
ASSETS					
Ongoing Schemes					
Church Walls	60	20	40		
County Farms 2008-09	238	125	113		
Farms Estates Reorganisation & Reinvestment	1,410	77	1,333		
Municipal buildings - Registration accommodation	200		200		
Office Accommodation Strategy	9,700	7,700	2,000		
Building Maintenance 2010-11	5,075	4,500	575		
Total Ongoing Schemes	16,683	12,422	4,261	0	0
New Starts 2011-12					
Corporate Landlord - Building Maintenance	15,345		6,845	4,500	4,000
Feasibility Studies (Various)	400		200	100	100
Total New Starts 2011-12	15,745		7,045	4,600	4,100
TOTAL ASSETS	32,428	12,422	11,306	4,600	4,100
ICT					
Ongoing schemes					
Government Connect	290	275	15		
ICT Security & Research	209	205	4		
Flexible & Mobile Working	1,175	365	270	270	270
Data Centre Macclesfield	495	488	7		
ICT Small Projects Block New scheme	153	148	5		
Information Management	1,409	706	703		
Essential Replacement 10-11	2,384	1,403	981		
IPT Harmonisation	725	556	169		
Oracle Optimisation	3,960	1,486	825	825	824
Total Ongoing Schemes	10,800	5,632	2,979	1,095	1,094
New Starts 2011-12					
Purchase and implementation/rollout of new WAN hardware	275		182	93	
ICT Rural Broadband Project - Phase 1	530		530		
ICT Security & Replacement Programme	272		272		
Total New Starts 2011-12	1,077		984	93	0
TOTAL ICT	11,877	5,632	3,963	1,188	1,094
Total Borough Treasurer & Assets Programme	44,305	18,054	15,269	5,788	5,194
Policy & Performance					
Ongoing Schemes					
Customer Relationship Management & Telephone System	1,455	635	820		
Customer Access	419	234	185		
Total On-going schemes	1,874	869	1,005	0	0
New Starts 2011-12					
Performance Management Extension System	35		35		
Total New Starts 2011-12	35	0	35	0	0
Total Policy & Performance	1,909	869	1,040	0	0
Total Capital Programme - Performance & Capacity	46,214	18,923	16,309	5,788	5,194

Annex 7 – Risk Analysis

The following information is extracted from the Cheshire East Corporate Risk Register:

Risk Description	Existing Controls & Evidence	Further Planned Actions
<p>Financial Control :</p> <p>Risk that the Council fails to manage expenditure within budget and maintain an adequate level of reserves, thereby threatening financial stability and service continuity and preventing the achievement of corporate objectives.</p>	<ul style="list-style-type: none"> • The Chief Financial Officer (CFO) is professionally qualified and reports directly to the Chief Executive. • The CFO is a member of the Corporate Management Team. • There is an experienced, dedicated Finance Team with a significant complement of professionally qualified and part qualified staff. • There are clearly defined financial roles, responsibilities and decision making processes, set out in the Council's Constitution, Finance & Contract Procedure Rules and local Schemes of Delegation. • Standard templates for Member level decisions require financial implications and risks to be clearly set out. • Fully integrated financial management system (Oracle), with comprehensive system access and security controls. • Well developed suite of financial reporting tools providing scheduled and ad-hoc reports for management and monitoring purposes. • Robust medium term financial planning linked to service performance and corporate objectives, as part of the corporate Business Planning Process. • Reserves Strategy incorporating specific analysis of financial risks, forward forecasting and assessment of the adequacy of general balances. • Quarterly financial updates, incorporating variance analysis and spending projections at service level and overall assessment of impact on balances. • On-going review by Internal and External Audit teams, of the adequacy and effectiveness of financial and management controls. 	<ul style="list-style-type: none"> • Review on-going impact of current spending projections as part of budget setting and forward financial planning. • Develop financial training programme to ensure clear understanding of roles and responsibilities and promote financial literacy at officer and Member level. • Identify key cost drivers for significant service activities and develop appropriate monitoring arrangements to allow for early identification of cost pressures. • Contribute to the development of the Business Management model and supporting back-office processes, with a view to improving transactional compliance and the accuracy, timeliness and completeness of financial information. • Implement Oracle Release 12 upgrade, including financial reporting enhancements. Support managers to make best use of on-line and self-serve reporting tools, including financial 'dashboards'. • Develop budget risk assessments to ensure resources are focussed on high risk budgets and issues. • Provide financial support to a range of transformation and improvement projects and initiatives with a view to securing long term financial sustainability. • Review service fees & charges and identify new income generation opportunities.

Annex 8 – Reserves Strategy



Reserves Strategy

2011-2014

Contents

Executive Summary	103
1. Introduction	104
2. General Fund Reserves (Revenue)	107
3. Earmarked Reserves (Revenue)	112
4. Capital Reserves	115
5. Conclusion	116
Background Papers	117
Annex A ~ Protocols & Controls	118
Annex B ~ Supporting Information	120

Executive Summary

Cheshire East Council will maintain reserves for two main purposes:

- 1. to protect against risk, and;**
- 2. to support investment**

The Reserves Strategy presents information about the requirements to maintain adequate financial reserves and provides statements on the types of reserves and current and predicted balances.

This strategy sets out a clear purpose for the holding of reserves, using risk assessments and setting out principles for the management of balances for the period 2011 – 2014.

The report follows guidance issued by the Chartered Institute of Public Finance & Accountancy ~ *LAAP Bulletin 55 – February 2003: Guidance Note on Local Authority Reserves and Balances*. Compliance with the guidance is recommended in the Institute's 2003 Statement on the Role of the Finance Director in Local Government and the regulatory framework and role of the Chief Finance Officer are set out in **Annex A**.

This strategy represents the latest position, following a review of the balances previously held, to ensure they meet the needs of Cheshire East Council.

Lisa Quinn

Borough Treasurer & Head of Assets
Section 151 Officer

Cheshire East Council

1. Introduction

Types of Reserves

1. When reviewing medium term financial plans and preparing annual budgets the Council must consider the establishment and maintenance of reserves. Two types of Revenue Reserves will be held:

General Reserves (see Section 2)

This represents the non-ringfenced balance of Council funds. There are two main purposes to general reserves: firstly to operate as a **working balance** to help manage the impact of uneven cash flows and avoid unnecessary temporary borrowing, and; secondly to provide a **contingency** to cushion the impact of emerging events or genuine emergencies. The target level of reserves retained will be risk based. General Reserves must be adequate and will increase and decrease as follows:

Increasing General Reserves

- *Planned repayment* as set-out in the budgeting process, usually to recover to an adequate level in relation to a detailed risk assessment, or to prepare in advance for future risks
- Allocation of an *operating surplus* at the close of the financial year

Decreasing General Reserves

- *Planned draw-down* of reserves to create investment, and to counteract the possibility of over-taxing in any financial year
- Allocation of an *operating deficit* at the close of the financial year

Earmarked Reserves (see Section 3)

This provides a means of building up funds, for use in a later financial year, to meet known or predicted policy initiatives. Discipline is required around setting up and maintaining earmarked reserves, and this strategy sets out the Council's approach to this. Earmarked reserves will increase through decisions of the Council and will decrease as they are spent on specific intended purposes.

Assessing the Adequacy of Reserves

2. In order to assess the adequacy of unallocated general reserves when setting the budget, the Borough Treasurer will take account of the strategic, operational and financial risks facing the Authority. The Council will therefore adopt formal risk management processes. The Audit Commission Codes of Audit Practice make it clear that it is the responsibility of the audited body to identify and address its operational and financial risks, and to develop and implement proper arrangements to manage them, including adequate and effective systems of internal control. The financial risks will be assessed in the context of the Authority's overall approach to risk management.
3. There is now a requirement for local authorities to include an Annual Statement of Governance with the Statement of Accounts. The Chief Finance Officer will ensure that the Authority has put in place effective arrangements for internal audit of the

control environment and systems of internal control, as required by professional standards.

4. Setting the level of general reserves is just one of several related decisions in the formulation of the medium term financial strategy and the budget for a particular year. Account will also be taken of the key financial assumptions underpinning the budget alongside a consideration of the Authority's financial management arrangements.
5. **Table 18** (below) sets out the significant budget assumptions that are relevant when considering the adequacy of reserves that are in addition to the issue of cashflow:

Table 18: Holding adequate reserves will depend on a number of key factors

Budget Assumptions	Financial Standing & Management
The treatment of inflation and interest rates	The overall financial standing of the Authority (including: level of borrowing, debt outstanding, council tax collection rates)
Estimates of the level and timing of capital receipts	The Authority's track record in budget and financial management including the robustness of the medium term plans
The treatment of demand led pressures	The Authority's capacity to manage in-year budget pressures
The treatment of planned efficiency savings / productivity gains	The strength of the financial information and reporting arrangements
The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital developments	The Authority's virement and end of year procedures in relation to budget under / overspends at authority and departmental level
The availability of other funds to deal with major contingencies and the adequacy of provisions	The adequacy of the Authority's insurance arrangements to cover major unforeseen risks

Source: CIPFA ~ LAAP Bulletin 55, 2003

6. These factors can only be assessed properly at local level. A considerable degree of professional judgment is required. The Borough Treasurer may choose to express advice on the level of balances in cash and / or as percentage of budget (to aid understanding) so long as that advice is tailored to the circumstances of the Authority for that particular year.
7. Advice will be set in the context of the Authority's Medium Term Financial Strategy and not focus on short term considerations, although balancing the annual budget by drawing on general reserves may be a legitimate short term option. However, where reserves are to be deployed to finance recurrent expenditure this should be made explicit, and will occur only to pump prime investment and not to regularly support such costs. Advice will be given on the adequacy of reserves over the lifetime of the Medium Term Financial Strategy.

8. The current guidance requires the purpose, usage and the basis of transactions of earmarked reserves to be identified clearly. A review of the levels of earmarked reserves will be undertaken as part of annual budget preparation.
9. Capital reserves will be maintained as part of the Capital Strategy monitoring and review. Such balances will inform decisions on borrowing and general management of the capital programme.

2. General Fund Reserves (Revenue)

Purpose

10. The purpose of general reserves is to minimise the possible financial impacts to the Authority from:
 - Emergencies;
 - In-year emerging issues;
11. Finance Procedure Rules allows the use of general reserves, with the following limitations:
 - a. Estimates for unfunded use of reserves must be approved by Council
 - b. Fully funded estimates may be approved as follows:
 - Up to £0.1m Chief Officers
 - £0.1m to £0.5m Chief Officers in consultation with Cabinet Member and Cabinet Member for Resources
 - £0.5m to £1m Cabinet
 - Over £1m Council
12. The in-year use of general reserves requires Council approval and must not be used for any level of recurring spending unless that spending will be included in revenues budgets in the following financial year or a suitable payback period is agreed in advance.
13. In all cases the use of reserves should be approved by the Borough Treasurer.

Opening Balances

14. At 1st April 2011, Cheshire East Council is anticipated to hold general reserves of £6.7m. This balance is calculated from:

Amount of General Fund Balance generally available for new expenditure

(source: 2009/2010 Statement of Accounts)

adjusted for

The estimated impact of performance against the 2010/2011 Revenue Budget

(source: Quarter Three Review 2010-2011 – Financial Performance)

15. It is therefore important to note that there is scope for amendments. Financial performance in the final quarter may vary from the estimates in the Quarter Three Review, and figures are therefore still provisional at this stage.

Estimated Movement in Reserves (2010/2011 onwards)

16. **Table 19** (below) summarises the current estimated movements in general reserves from 2010 to 2013. This position makes a clear assumption that any recently identified in-year, or future, emerging financial pressures will be met from within the Council's funding envelope.
17. In addition the level of reserves needed will be assessed each year according to the risks facing the Authority (see Risk Assessment below).

Table 19:
Reserves must increase in 2011/2012 to meet the 'Risk Assessed Minimum Level'

Detail	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m
Estimated Balance @ 1st April	10.2	6.7	15.0	20.1
Projected Increases in Reserves				
- Contingent Asset (VAT reclaim) net of fees	1.6	0.7		
- Business Finance Loan Repayments	0.3	0.2		
- Planned Contribution to Reserves	4.3	5.1	6.1	7.9
- Contribution from Earmarked Reserves		2.3		
Projected Use of Reserves				
- Transfer to Voluntary Redundancy Reserve	(1.5)			
- Estimated Impact of 2010/2011 Spending	(7.7)			
- Supplementary Revenues Estimates	(0.2)			
- Transitional Funding carried forward (P&C)	(0.3)			
- Repayment due to CWAC re location			-1.0	
Forecast General Reserves @ 31st March	6.7	15.0	21.1	28.0
Risk Assessed Minimum Level		14.7		
Un-Allocated Balance		0.3		

Source: Cheshire East Finance ~ February 2011

18. Up front costs, from transformation of services, have been met from general reserves, and by making a contribution from revenue income each year those reserves are being replaced.
19. The reserves position for 2011/2012, as detailed in **Table 19** (above), reflects the aim of Cheshire East Council to match the Risk Assessed Minimum Level, ensuring reserves are adequate, and to generate flexibility from balances to support further transformational and invest-to-save opportunities.

General Fund Reserves - Risk Assessment

20. Local Authorities have often adopted a broad principle that General Fund Reserves would be prudent if equivalent to 5% of the net revenue budget requirement. However, the risks facing each local area will vary, and in the case of Cheshire East, the impact of reorganisation combined with the economic climate and pressure on public services still presents the potential for significant emerging risk.
21. The minimum target level of reserves is therefore quantified by a detailed risk assessment. This approach allows the Council to take account of the circumstances around current structural changes and economic circumstances.
22. Where specific financial liability has not been established, or where outcomes from emerging pressures cannot be detailed, the Council will assume a level of risk. This reduces the possibility that the Council will be exposed to financial pressure and smoothes the impact on citizens.
23. Risks are categorised, and potential values are applied to them, this presents the potential exposure to financial risk. **Table 20** (overleaf) shows the risk areas and the level of reserves the Council should retain to mitigate that risk. In each case the value of the risk retained has been calculated as a % of the potential impact. The % is based on the likelihood of the risk actually achieving that total impact in any year.
24. It is possible that a number of events could happen in a single year. It is also possible that the Council could be exposed to new unidentified risks. For this reason the analysis also contains a Strategic Reserve calculated as a % of gross expenditure.
25. Risks will be included and managed using the following basic principles:
 - a. The risk may impact within the medium term
 - b. Risks are potential one-off events
 - c. The risk will have genuine financial consequences
 - d. Mitigating actions will be in place to minimise the potential requirement for financial support
 - e. If a risk becomes 100% likely it will be allocated to earmarked reserves or included within appropriate Revenue Budget estimates
 - f. Emerging risks will be addressed from in-year surplus or virement before any request to allocate general reserves

Table 20: A robust level of reserves is guided by an assessment of potential risks

Class of Risk	Effect on budget	Mitigating actions	Value of risk retained
Health & Safety			£400,000
Service Closures	Increased cost to repair risk of further breach	Robust risk assessments	
Loss of income	Substantial disruption to income	Robust disaster recovery	
Lost reputation	Cost of new advertising to regain confidence	Effective Communication Plans	
Effect on recruitment	Additional advertising costs to attract staff	Employment options on standby	
Natural Disaster (for example: Fire, Flood, Disease)			£1,200,000
Major loss of service	Premises not operational	Robust disaster recovery plan	
Epidemic	Poor public health, high staff sickness & absence costs	Raise awareness of safety measures and introduce robust emergent risk response plans	
Severe Weather	Additional staffing, transport and materials costs	Robust emergency plans	
Rising Insurance claims	Rising premiums or cost to insurance reserves and budget growth to cover premiums or self insurance costs	Good claims management	
Budget Pressures			£6,700,000
Higher than anticipated inflation arising in year	Increased costs from in-year inflation on contracts and services	Contract & Procurement management and robust remedial plans	
Proposals challenged by changing needs or priorities	Emerging issues related to increasing demand for services, reductions in grants or unachievable or updated income estimates	Robust remedial plans and monitoring of progress	
Opening balances vary from current predictions	Actual opening position may vary from Third Quarter Review estimates	Maintain focus on in-year mitigating activity	
Security breaches, Legal actions, Industrial relations and Market Failure			£800,000
Court Fines and mitigating costs related to prevention	Fine and one off costs could be determined by the courts	Robust service processes	
Data corruption	ICT service days to repair, loss of service	Embedded security policies and firewalls	
Disruption to service and/or costs of arbitration / tribunal / damages	Loss of income, costs of providing essential services or direct costs of resolution, reduced pay budget	Emergency planning	
Strategic Reserve	Non-Budgeted Expenditure necessary for Emergency risk cover or potential further invest to save options		£5,600,000
OVERALL RISKS			£14,700,000
% of Net Revenue Budget			6.0%

Source: Cheshire East Finance Feb 2011

26. The outcome of this analysis has been to place an estimated total value on the range of risks that may arise and which are not covered by insurance. This is equivalent in total to **£14.7m**.
27. It should be noted that these risks include significant sums relating to performance against the 2011/2012 Revenue Budget. This reflects the capacity of the organisation to achieve the proposed level of savings entirely against a backdrop of changing government settlements and demographic movement.

Adequacy of General Reserves

28. A duty of the Chief Finance Officer is to comment on the adequacy of financial reserves (**see Annex A**).
29. The estimates contained within the medium term financial strategy must be sufficiently robust to achieve certainty that reserves are adequate. The Chief Finance Officer will use information contained within the Reserves Strategy to comment specifically in the annual Budget Report on the adequacy of reserves.

3. Earmarked Reserves (Revenue)

Purpose

30. The purpose of earmarked reserves is:

- a. To prevent an uneven impact from policy options, by allowing balances to be set aside for future year expenditure
- b. To set aside amounts for projects that extend beyond 1 year

31. Once Earmarked reserves have been established by Council it is the responsibility of Chief Officers, in consultation with the Borough Treasurer, to ensure balances are spent in line with their purpose.

32. **Table 21** (below) identifies the most commonly established earmarked reserves and the rationale behind why such reserves are created and maintained.

Table 21: All earmarked reserves should have a clear rationale

Category of Earmarked Reserve	Rationale
Sums set aside for major schemes, such as capital developments or asset purchases, or to fund major reorganisations	Where expenditure is planned in future accounting periods, it is prudent to build up resources in advance
Insurance reserves	Self-insurance is a mechanism used by a number of local authorities
Reserves of trading and business units	Surpluses arising from in-house trading may be retained, or may have to be retained by statute to cover potential losses in future years, or to finance capital expenditure
Reserves retained for service departmental use	Increasingly authorities have internal protocols that permit year-end surpluses at departmental level to be carried forward
School Balances	These are unspent balances of budgets delegated to individual schools

Source: CIPFA ~ LAAP Bulletin 55, 2003

33. For each earmarked reserve held by Cheshire East Council there will be a clear protocol setting out:

- the purpose of the reserve
- how and when the reserve can be used
- procedures for the reserve's management and control
- a process and timescale for review of the reserve to ensure continuing relevance and adequacy
- clear indication of payback periods and approach (if applicable)

34. When establishing reserves, Cheshire East Council will ensure that it complies with the Code of Practice on Local Authority Accounting in the United Kingdom and in particular the need to distinguish between reserves and provisions.
35. The protocol for Cheshire East Council earmarked reserves is set out below. The Borough Treasurer will monitor adherence to these protocols. Details of each reserve will be held to demonstrate compliance with the protocols.
36. Earmarked Reserves will be:
- Set up by Full Council, on recommendation by the Borough Treasurer
 - Supported by a business case
 - Normally held for a maximum of 3 years, except where the business case justifies a longer retention.
 - Subject to a minimum value, set initially at £60,000, unless the business case supports a lower level
 - Be reviewed at least annually
37. Services may also carry forward balances in accordance with Financial Procedure Rules.
38. At 1st April 2011 it is anticipated that the balances on existing earmarked reserves held by Cheshire East Council will be **£6.789m**. **Table 22** (overleaf) shows the position on each earmarked reserve.
39. Earmarked reserves have the effect of transferring the tax burden across financial years as current taxpayers' funds are being used to support future years' spending. It is therefore recommended that the Council's earmarked reserves are subject to annual review, at least as part of the budget-setting process to ensure that they are still appropriate, relevant and adequate for the intended purpose.
40. Earmarked Reserves have been reviewed in 2010/2011, and estimates made of the likely use of these reserves. During the 2011/2012 Financial Year, as part of the closure of accounts process (April–June 2011), earmarked balances which do not meet statutory or essential criteria will be returned to General Reserves. **Annex B** provides a list of those Earmarked Reserves where surplus balances are not expected to be used in 2011/2012 (also note Paragraph 41 below).
41. It is estimated that balances of approximately £2.3m, which are expected to be held in earmarked reserves at 31st March 2011, will be returned to General Reserves in 2011/2012. The figures for 'Available Balances for 2011/2012', in **Table 22** (overleaf), reflect the position after any transfers to General Reserves have been completed.

Table 22: Earmarked Reserves that are statutory or essential have been retained for 2011/2012

Directorate / +Description	Opening Balance 1 April 2010 £000	Estimated movement £000	Estimated Available Balances for 2011/12 £000	Reason / Use
CHILDREN & FAMILIES				
Long Term Sickness	215	230	445	LTS Insurance Scheme, surplus premiums paid by schools ~ operated as a trading account
Education All Risks	129	133	262	Carried forward surplus of insurance premiums paid by schools ~ operated as a trading account
ADULTS, COMMUNITY, HEALTH & WELLBEING				
Extra Care Housing (PFI)	892	300	1,192	Surplus grant set aside to meet future payments on the PFI contract
PLACES				
Landfill Allowance Trading Scheme	512	0	512	Carried forward unused allowances to offset future years landfill usage
Community Safety	110	-100	10	Balance for Community Safety Initiatives in 2011-12.
Building Control	505	-150	355	Ring-fenced surplus (could be used to offset service deficit, if applicable)
Tatton Park	165	0	165	Ring-fenced surplus on Tatton Park trading account
Economic Development Projects	650	-308	342	Support for town centres and economic development initiatives
PERFORMANCE & CAPACITY				
Borough Treasurer				
Invest-to-Save Projects	2,000	-1702	298	Central reserve to support invest-to-save projects
Insurance Reserve	2,269	254	2,523	To settle insurance claims
Policy & Performance				
Enabling Local Delivery	625	0	625	Available to promote local delivery
Partnerships & Grants Support	127	-67	60	Funding issued to groups who meet the Council's criteria.
Totals	8,199	-1,410	6,789	

Source: Cheshire East Finance, February 2011

4. Capital Reserves

42. The purpose of capital reserves is to:
- a. Minimise risk from potential emergency spending requirements on assets
 - b. Support investment in tangible and intangible assets
 - c. Hold committed balances, where spending is restricted to capital schemes, to support cashflow and investment income
43. The capital reserves held by each former authority of Cheshire East have been reviewed and in the main the reserves contain the funding for committed capital schemes.
44. Departments have reviewed the current capital programme with a view to rationalising schemes where possible, and removing any which do not meet the aims and objectives of Cheshire East. Funding held in capital reserves can then be released to fund new capital schemes.
45. In considering the available funding for the capital programme, schemes will be cross referenced to Section 106 agreements and commuted sums and where possible funded from this source.

5. Conclusion

- 46. Overall the Council is establishing reserves that initially match, and then over time exceed, the minimum risk levels. This recognises local issues and allows the Borough Treasurer to comment favourably on the adequacy of reserves.
- 47. The establishment and maintenance of protocols around the use of balances improves control and increases openness in financial reporting and management. This approach assists with financial planning and increases understanding of the Council's financial position.
- 48. The review of capital and earmarked reserves has been completed, and their rationalisation should simplify the presentation and understanding of the Council's reserves position. Reserves' positions will continue to be reviewed throughout the financial year.

Background Papers

CIPFA, Local Authority Accounting Panel: Bulletin 55, Local Authority Reserves & Balances (2003)

General Fund Reserves ~ Risk Assessment Working Papers 2010

Cheshire East Borough Council - Final Accounts 2009/2010:

Cheshire East Council Budget 2010/2011

Quarter Three Review 2010-11 – Financial Performance

Cheshire East Council Budget 2011/2012

Annex A to Reserve Strategy

Protocol & Controls

The Existing Legislative/Regulatory Framework

Sections 32 and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

There are three significant safeguards in place that militate against local authorities over-committing themselves financially:

1. The balanced budget requirement
2. Chief Finance Officers' S114 powers
3. The External Auditor's responsibility to review and report on financial standing.

The balanced budget requirement is reinforced by section 114 of the Local Government Finance Act 1988 which requires the Chief Finance Officer to report to all the Authority's councillors if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the Authority will not have the resources to meet its expenditure in a particular financial year. The issue of a section 114 notice cannot be taken lightly and has serious operational implications. The Authority's full Council must meet within 21 days to consider the S114 notice and during that period the Authority is prohibited from entering into new agreements involving the incurring of expenditure.

While it is primarily the responsibility of the local authority and its Chief Finance Officer to maintain a sound financial position, External Auditors have a responsibility to review the arrangements in place to ensure that financial standing is soundly based. In the course of their duties External Auditors review and report on the level of reserves taking into account their local knowledge of the Authority's financial performance over a period of time. However, it is not the responsibility of auditors to prescribe the optimum or minimum level of reserves for individual authorities or authorities in general.

The Role of the Chief Finance Officer

It is the responsibility of the Chief Finance Officer to advise local authorities about the level of reserves that they should hold and to ensure that there are clear protocols for their establishment and use. There is no statutory minimum.

Local authorities, on the advice of their Chief Finance Officers, are required to make their own judgements on the level of reserves taking into account all the relevant local circumstances. Such circumstances vary. A well-managed authority, for example, with a prudent approach to budgeting should be able to operate with a relatively low level of general reserves. There is a broad range within which authorities might reasonably operate depending on their particular circumstances.

Good Governance

It is important that Members take responsibility for ensuring the adequacy of reserves and provisions when they set the budget. CIPFA recommend that the respective roles of officers and Councillors in relation to reserves should be codified locally and given due recognition in the Constitutions. This codification should:

- state which council bodies are empowered to establish reserves
- set out the responsibilities of the Chief Finance Officer and Councillor – or group of Councillors – responsible for finance
- specify the reporting arrangements

A New Reporting Framework

The Chief Finance Officer has a fiduciary duty to local taxpayers, and must be satisfied that the decisions taken on balances and reserves represent proper stewardship of public funds.

The level and utilisation of reserves will be determined formally by the Council, informed by the advice and judgement of the Chief Finance Officer. To enable the Council to reach its decision, the Chief Finance Officer should report the factors that influenced his or her judgement and ensure that the advice given is recorded formally. Where the advice is not accepted this should be recorded formally in the minutes of the Council meeting.

CIPFA recommended that:

The budget report to the Council should include a statement showing the estimated opening general reserve fund balance for the year ahead, the addition to/withdrawal from balances, and the estimated end of year balance. Reference should be made as to the extent to which such reserves are to be used to finance recurrent expenditure this should be accompanied by a statement from the Chief Finance Officer on the adequacy of the general reserves and provisions in respect of the forthcoming financial year and the Authority's medium term financial strategy.

A statement reporting on the annual review of earmarked reserves should also be made at the same time to the Council. The review itself should be undertaken as part of the budget preparation process. The statement should list the various earmarked reserves, the purposes for which they are held and provide advice on the appropriate levels. It should also show the estimated opening balances for the year, planned additions/withdrawals and the estimated closing balances.

Annex B to the Reserves Strategy

Supporting Information

Earmarked Reserves in the table below, and identified previously in the Council's Reserves Strategy, are expected to be unavailable in the 2011/2012 Financial Year. Surplus balances will be returned to General Reserves.

Where there is a risk, that expenditure previously supported by Earmarked Reserves could occur, this is reflected in the General Fund Reserves – Risk Assessment.

Directorate / +Description	Opening Balance 1 April 2010 £000	Estimated movement £000	Estimated Available Balances for 2011/12 £000	Reason / Use
CHILDREN & FAMILIES				
Fluctuation in School Days	223	-223	0	Closed – surplus returned to balances
LPSA 2	58	-58	0	Closed – surplus returned to balances
ADULTS, COMMUNITY, HEALTH & WELLBEING				
S117 Reserve	132	-132	0	Closed – surplus returned to balances
Countryside & Rangers	62	-62	0	Closed – surplus returned to balances
Health Improvement	37	-37	0	Closed – surplus returned to balances
Cumberland pitch renewal	79	-79	0	Closed – surplus returned to balances
Leisure Facilities Management	96	-96	0	Closed – surplus returned to balances
LPSA 2	117	-117	0	Closed – surplus returned to balances
PLACES				
Markets	154	-154	0	Closed – surplus returned to balances
Local Development Framework	291	-291	0	Closed – surplus returned to balances
Housing Strategy	170	-170	0	Closed – surplus returned to balances

Directorate / +Description	Opening Balance 1 April 2010 £000	Estimated movement £000	Estimated Available Balances for 2011/12 £000	Reason / Use
People into Jobs	138	-138	0	Closed – surplus returned to balances
Climate Change	98	-98	0	Closed – surplus returned to balances
Disturbance Payments	81	-81	0	Closed – surplus returned to balances
Waste Management	36	-36	0	Closed – surplus returned to balances
On-Street Parking	41	-41	0	Surplus returned to balances
Crematoria	407	-407	0	To be returned to balances – now to be met from capital funds
Places - Strategic	90	-90	0	Surplus returned to Balances
Street Lighting	78	-78	0	Closed – surplus returned to balances
Recession Task Group	90	-90	0	Utilised in 2010-11 on Economic Recovery planned expenditure
Streetscape & Bereavement	51	-51	0	Applied in year to meet various Streetscape equipment costs.
Economic Development	114	-114	0	Transferred to Capital reserve
PERFORMANCE & CAPACITY				
Borough Treasurer				
Voluntary Redundancy	2,371	-2371	0	To meet severance and redundancy payments
Interest Free Loans	43	-43	0	Returned to General Reserves as debtor balances are paid
Deferred VR Payments	65	-65	0	To be paid in 2010-11
Buildings maintenance	210	-210	0	£145,000 Condition Survey-led repairs, £65,000 General
Environmental Warranties	39	-39	0	Surplus returned to balances
Industrial Estates	16	-16	0	Repairs / costs relating to Crewe industrial units
Local Authority Business Growth Incentive	625	-625	0	Surplus to requirements - to be returned to Balances

Directorate / +Description	Opening Balance 1 April 2010 £000	Estimated movement £000	Estimated Available Balances for 2011/12 £000	Reason / Use
Crewe Business Park	25	-25	0	Repairs/ costs relating to maintenance of business park
Repairs/Renewals Fund	16	-16	0	Outstanding payment due in 2009-10
Benefits Appeals	200	-200	0	Reinstatement of reserve to meet potential appeal costs
LPSA 1 Reserve	29	-29	0	Surplus returned to balances
HR & OD				
Single Status / Pay Harmonisation	840	-840	0	Surplus returned to balances
Totals	7,122	-7,122	0	

Annex 9 – List of Abbreviations

This section provides details of the abbreviations used in the Budget Report in alphabetical order.

Term	Meaning	Term	Meaning
ABG	Area Based Grant – type of grant previously given to local authorities by Government.	e-CAF	Enabled Common Assessment Framework – an assessment of a child or young person, encompassing all areas of need.
CIPFA	Chartered Institute of Public Finance and Accountancy – the body that sets standards for public finance.	EIG	Early Intervention Grant – grant to be used locally to support families with difficulties to prevent escalation of problems.
CFR	Capital Financing Requirement – used in calculating Minimum Revenue Position	GUF	Guaranteed Unit of Funding – amount used to calculate DSG when combined with pupil numbers.
CPI	Consumer Price Index – a measure of inflation.	HR	Human Resources – department responsible for staffing matters.
CSR	Comprehensive Spending Review – the Government’s announcements on future funding levels.	H&W	Health and Wellbeing – service responsible for leisure, library and cultural services.
DCLG	Department for Communities and Local Government – Government department responsible for supporting local government and communities.	ICT	Information and Communication Technologies – service responsible for technology at Cheshire East Council.
DfE	Department for Education – Government department responsible for education and Children’s services	ISB	Individual School Budget – budget devolved to individual schools rather than used centrally.
DSG	Dedicated Schools Grant – grant received from Government to fund schools.	LILTS	Local Independent Living Teams – teams working within the Adults, Community, Health and Wellbeing service to assist with each individual client’s needs.

Term	Meaning	Term	Meaning
LTP	Local Transport Plan – the basis for bidding and receiving funding for highways and transport schemes.	P&C	Performance and Capacity – name of Cheshire East Council's 'back office' directorate including services such as legal and finance.
NHS	National Health Service – organisation responsible for health care.	RPI	Retail Price Index – main domestic measure of inflation in the UK.
NNDR	National Non Domestic Rates – contribution to local authority costs by businesses. Rate is set by central government.	RSG	Revenue Support Grant – an element of Formula Grant given to local authorities by central government.
PARIS	Electronic system used to record payments and receipts.	SEN	Special Educational Needs – children with SEN may require extra assistance to overcome learning disabilities or disabilities
PCT	Primary Care Trust – a local trust of the NHS which provides initial healthcare.	VAT	Value Added Tax – tax paid to HM Revenue and Customs on goods and services bought and sold.
PFI	Private Finance Initiative – scheme where public bodies pay for use of an asset constructed by the private sector.	VPN	Valuing People Now – initiative to improve health and wellbeing and ensure the NHS and local authorities work together.
PWLB	Public Work Loan Board – a government agency providing loans to public bodies for capital works.		

This page is intentionally left blank

COUNCIL MEETING – 24TH FEBRUARY 2011**Extract from the Minutes of the Cabinet Meeting on 14 February 2011****MINUTE 137 TREASURY MANAGEMENT STRATEGY AND MINIMUM REVENUE PROVISION STATEMENT 2011/12**

The Cabinet considered the Treasury Management Strategy for 2011/12 to 2013/14, including the prudential indicators and limits required under Part 1 of the Local Government Act 2003, the Annual Investment Strategy 2010/11, and the Minimum Revenue Provision statement for the redemption of debt for 2011/12.

The Treasury Management Strategy is defined as the management of the Council's investment and cash flows, its banking, money market and capital transactions, the effective control of risks associated with those activities and the pursuit of optimum performance consistent with those risks.

The Strategy was due to be considered by the Council at its meeting on 24 February 2011 and the Cabinet recommended that:-

RESOLVED

Council be recommended to approve the Treasury Management Strategy and the Minimum Revenue Provision Statement 2011/12. The Strategy includes the Department for Communities and Local Government reporting requirements in accordance with the Local Government Investments Guidance under Section 15(1) (a) of the Local Government Act 2003 (Appendix A).

This page is intentionally left blank

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting: 14 February 2011
Report of: Borough Treasurer and Head of Assets
Subject/Title: Treasury Management Strategy and MRP Statement 2011/12
Portfolio Holder: Councillor Wesley Fitzgerald

1.0 Report Summary

- 1.1 To present the Treasury Management Strategy for 2011/12 to 2013/14 including the prudential indicators and limits required under Part 1 of the Local Government Act 2003 and the Annual Investment Strategy 2010/11 and Annual Policy Statement on Minimum Revenue Provision (MRP) for the redemption of debt 2011/12.

- 1.2 Treasury Management is defined as:-

The management of the Council's investment and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

2.0 Decision Requested

- 2.1 Cabinet is requested to recommend to Council the approval of the Treasury Management Strategy and the MRP Statement for 2011/12. The Strategy includes the Department for Communities and Local Government (DCLG) reporting requirements in accordance with the Local Government Investments Guidance under Section 15(1)(a) of the Local Government Act 2003 (Appendix A).

3.0 Reasons for Recommendations

- 3.1 The Treasury Management Strategy details the activities of the Treasury Management function in the forthcoming year 2011/12. The Strategy for 2011/12 reflects the views on interest rates of leading market forecasts provided by Arlingclose, the Council's advisor on treasury matters. It also includes the Prudential Indicators relating to Treasury Management.
- 3.2 The CIPFA Code of Practice on Treasury Management, when adopted by a local authority, gives it the status of 'a code of practice made or approved by or under enactment' and hence proper practices under the provision of the Local Government and Housing Act 1989.

4 Wards Affected

- 4.1 Not applicable

5.0 Local Ward Members

5.1 Not applicable

**6.0 Policy Implications including – Carbon Reduction
- Health**

6.1 Not applicable.

7.0 Financial Implications (Authorised by the Borough Treasurer)

7.1 Effective Treasury Management provides support towards the achievement of service priorities, it allows the Council to invest in capital projects without any limit as long as it can demonstrate that its capital expenditure plans are affordable, external borrowing is prudent and sustainable and treasury decisions are taken in accordance with good practice.

8.0 Legal Implications (Authorised by the Borough Solicitor)

8.1 It is a requirement of the CIPFA Code of Practice for Treasury Management in The Public Sector, that Council receives an Annual Report on its Treasury Strategy, that Council sets Prudential Indicators for the next three years and approves an Annual Investment Strategy and an Annual MRP Policy Statement. There are stringent legislative requirements in place which dictate the way that a local authority deals with financial administration.

9.0 Risk Management

9.1 The steps outlined in this report will significantly mitigate the main legal and financial risk to the council's financial management:

- a. That council borrowing will comply with the Treasury Management Strategy

10.0 Background and Options

10.1 The Local Government and Public Involvement in Health Act 2007 places a requirement of all councils to approve a policy on how the amount provided in respect of the repayment of debt is calculated prior to the start of the financial year concerned. The Policy for the year 2011/12 is contained in Appendix A. It links closely with the Council's Capital Strategy 2011/12, which sets out the approach to capital investment and disposals over the next three years.

10.2 The Treasury Management Strategy takes into account future borrowing requirements, based on the Council's three year capital spending plans, projected cash flow requirements and money market opportunities. The aim is to maintain control over borrowing activities, with particular regard for longer term affordability; but also to allow sufficient flexibility to respond to changes in the capital and money markets as they arise. The budgeted provision for the repayment of debt in the year 2011/12 has been broadly calculated as 4% of the estimated outstanding debt at the end of the year 2010/11 with a small number of exceptions. This is based on the assumption that debt will generally be repaid over 25 years. Exceptionally, where assets are to be funded from unsupported borrowing, debt repayments are profiled over the estimated life of the specific asset in question.

- 10.3 The amount provided for debt repayment is below the amount of capital expenditure being funded from borrowing in each of the next few years. As a consequence the amount of debt outstanding is increasing each year. As the level of outstanding debt increases the amount that needs to be provided for the repayment of debt in future years also increases. In order to reduce the amount of increasing debt year on year the Council may either use capital receipts as an alternative to borrowing or repay the debt more quickly.
- 10.4 The forecast for future capital receipts has remained at a prudent level for 2011-12 and therefore receipts of £5m will be made available to fund new schemes within the 2011/12 programme. The Council has implemented a Disposals Policy as part of the Asset Management Plan, where property assets which are not meeting the Council's objectives will be subject to asset challenge and a process of rationalisation and disposal for surplus/under-performing property will be adopted. The Council's Capital Receipts Policy will ensure that receipts are used in the most beneficial way to support corporate priorities and strategic objectives of the Council and all receipts will be pooled centrally.
- 10.5 The announcement of specific capital grants in December 2010 revealed a significant reduction in available funding for the 2011-12 capital programme; this has particularly affected schools, highways and housing strategy. As well as a reduction in capital grants the government is no longer providing any new Supported Borrowing allocations in 2011/12 and 2012/13.
- 10.6 Given the reductions in available funding the Council has undertaken prudential borrowing to fund £16m of new starts in 2011-12. The Council is conscious of the impact of repayment costs on the revenue budget and has only considered schemes where capital investment is required to secure long term revenue savings and repayment costs are affordable.
- 10.7 The Council has received a capitalisation direction from the Secretary of State enabling up to £675,329 of statutory redundancy payments to be treated as capital expenditure. This will provide flexibility for wider capitalisation opportunities beyond the funding of the capital programme.

10.8 Capital Financing Budget 2011-12

	£m
Repayment of outstanding debt	9.4
Interest on long term loans	6.1
Contribution from services towards the cost of borrowing	(0.8)
Total Debt Repayment	14.7
<u>Less</u> Interest receivable on cash balances	(0.8)
Net Capital Financing Budget	13.9

- 10.9 The amount of interest paid on the Council's portfolio of long term loans is mainly at fixed rates of interest (circa 4.9%). This provides a degree of certainty to the

capital financing budget. The rate of interest payable on the £24 million of new long term loans that it is planned to raise during the year 2011/12 is budgeted to be 5.4%. Currently long term interest rates are around 5.4%. However, within the Treasury Management Strategy, the Council will use internal balances where possible to reduce the costs in the short term of external borrowing.

- 10.10 The Council currently has debt outstanding of £135.5m. In 2010/11 the opportunity was taken to restructure £50m of debt by replacing a number of loans with an average interest rate of 4.22% with a new loan at a rate of 2.35%. This will generate savings over the next ten years of £4.47m of which £0.6m will be achieved in 2010/2011 and £0.8m in 2011/2012.
- 10.11 The rate of interest to be earned on the Council's cash balances that are temporarily invested pending their being used (estimated at £70 million) is budgeted to be 1.15%.
- 10.12 Cheshire East inherited investments made by the former Cheshire County Council with Heritable Bank, which went into administration in October 2008. Any expected losses associated with this were accounted for by Cheshire County Council in their accounts in 2008/2009. As at 31st March 2010 the balance sheet included investments with Heritable Bank of £2.13m of which £0.7m is expected to be repaid to Cheshire East BC by 31st March 2011. The remainder is expected to be received in instalments ending in September 2012.

11.0 Access to Information

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

Name:	Lisa Quinn
Designation:	Borough Treasurer and Head of Assets
Tel No:	01270 686628
Email:	lisa.quinn@cheshireeast.gov.uk

Appendices:

Appendix A – Treasury Management Strategy Statement & Investment Strategy 2011/12-2013/14

**Treasury Management Strategy Statement
and Investment Strategy 2011/12 to 2013/14**

Contents

- 1. Background**
- 2. Balance Sheet and Treasury Position**
- 3. Outlook for Interest Rates**
- 4. Borrowing and Rescheduling Strategy**
- 5. Investment Policy and Strategy**
- 6. Balanced Budget Requirement**
- 7. 2011/12 MRP Statement**
- 8. Reporting on the Treasury Outturn**
- 9. Other Items**

Appendices

- A. Prudential Indicators**
- B. Interest Rate Outlook**
- C. Specified Investments for use by the Council**
- D. Non- Specified Investments for use by the Council**

1. Background

- 1.1 The Chartered Institute of Public Finance and Accountancy's Code of Practice for Treasury Management in Public Services (the "CIPFA TM Code") and the Prudential Code require local authorities to determine the Treasury Management Strategy Statement (TMSS) and Prudential Indicators on an annual basis. The TMSS also incorporates the Investment Strategy as required under the CLG's Investment Guidance.
- 1.2 CIPFA has defined Treasury Management as:
"the management of the organisation's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 1.3 The Council is responsible for its treasury decisions and activity. No treasury management activity is without risk. The successful identification, monitoring and control of risk is an important and integral element of its treasury management activities. The main risks to the Council's treasury activities are:
- Liquidity Risk (Inadequate cash resources)
 - Market or Interest Rate Risk (Fluctuations in interest rate levels)
 - Inflation Risk (Exposure to inflation)
 - Credit and Counterparty Risk (Security of Investments)
 - Refinancing Risk (Impact of debt maturing in future years)
 - Legal & Regulatory Risk
- 1.4 The strategy also takes into account the impact of the Council's Revenue Budget and Capital Programme on the Balance Sheet position, the Prudential Indicators (Annex A) and the outlook for interest rates (Annex B).
- 1.5 The purpose of this Treasury Management Strategy Statement is to approve:
- Treasury Management Strategy for 2011-12 (Borrowing - Section 4, Debt Rescheduling - Section 5, Investments - Section 6)
 - Prudential Indicators – Annex A (NB - PI No. 6 - The Authorised Limit is a statutory limit)
 - Use of Specified and Non-Specified Investments – Annexes C & D

2. Balance Sheet and Treasury Position

- 2.1 The underlying need to borrow for capital purposes, as measured by the Capital Financing Requirement (CFR), together with Balances and Reserves are the core drivers of Treasury Management Activity. The estimates, based on the current Revenue Budget and Capital Programmes, are set out below:

	31/03/2011 Estimate £m	31/03/2012 Estimate £m	31/03/2013 Estimate £m	31/03/2014 Estimate £m
Capital Financing Requirement	206.4	220.7	217.4	211.6
Less: Existing Profile of Borrowing and Other Long Term Liabilities	-155.1	-149.6	-144.1	-138.6
Cumulative Maximum External Borrowing Requirement	51.3	71.1	73.3	73.0
Balances & Reserves	-36.7	-36.2	-37.0	-36.4
Cumulative Net Borrowing Requirement/ (Investments)	14.6	34.9	36.3	36.6

- 2.2 The Council's level of physical debt and investments is linked to these components of the Balance Sheet. Market conditions, interest rate expectations and credit risk considerations will influence the Council's strategy in determining the borrowing and investment activity against the underlying Balance Sheet position.
- 2.3 As the CFR represents the level of borrowing for capital purposes and revenue expenditure cannot be financed from borrowing, net physical external borrowing should not exceed the CFR other than for short term cash flow requirements. It is permissible under the Prudential Code to borrow in advance of need up to the level of the estimated CFR over the term of the Prudential Indicators. Where this takes place the cash will form part of its invested sums until the related capital expenditure is incurred. This being the case net borrowing should not exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for the current and next two financial years other than in the short term due to cash flow requirements.
- 2.4 The projected analysis of actual borrowings and investments as at 31st March 2011 is:

	31 Mar 11 Estimate £m	%
External Borrowing:		
Fixed Rate – PWLB	(115.4)	75
Fixed Rate – Market	(17.0)	11
Variable Rate – PWLB	-	-
Variable Rate – Market	-	-
Total External Borrowing	(132.4)	86
IFRS Long Term Liabilities:		
- PFI	(21.2)	14
- Operating Leases	-	-
Total Gross External Debt	(153.6)	100
Investments:		

<i>Managed in-house</i>		
- Short-term monies (Deposits/ monies on call /MMFs)	53.0	73
- Long-term investments (maturities over 12 months)	-	-
<i>Managed externally</i>		
- By Fund Managers	-	-
- Pooled Funds (<i>Investec</i>)	20.0	27
Total Investments	73.0	100
(Net Borrowing Position)/ Net Investment position	80.6	-

2.5 The estimate for interest payments in 2011/12 is £6.1m and for interest receipts is £0.8m.

3. Outlook for Interest Rates

3.1 The economic interest rate outlook provided by the Council's treasury advisor, Arlingclose Ltd, is attached at Annex B. The Council will reappraise its strategy from time to time and, if needs be, realign it with evolving market conditions and expectations for future interest rates.

4. Borrowing and Rescheduling Strategy

4.1 The Council's underlying need to borrow for capital purposes is measured by reference to its Capital Financing Requirement (CFR) – see Annex A. The CFR represents the cumulative capital expenditure of the local authority that has not been financed. To ensure that this expenditure will ultimately be financed, local authorities are required to make a Minimum Revenue Provision for Debt Redemption (MRP) from within the Revenue budget each year.

4.2 Capital expenditure not financed from internal resources (i.e. Capital Receipts, Capital Grants and Contributions, Revenue or Reserves) will produce an increase in the CFR (the underlying need to borrow) and in turn produce an increased requirement to charge MRP in the Revenue Account.

4.3 Physical external borrowing may be greater or less than the CFR, but in accordance with the Prudential Code, the Council will ensure that net external borrowing does not, except in the short term, exceed the CFR in the preceding year plus the estimates of any additional CFR for the current and next two financial years.

4.4 In conjunction with advice from its treasury advisor, Arlingclose Ltd, the Council will keep under review the following borrowing options:

- PWLB loans
- Borrowing from other local authorities
- Borrowing from institutions such as the European Investment Bank and directly from Commercial Banks
- Borrowing from the Money Markets
- Local authority stock issues
- Local authority bills
- Structured finance

4.5 Notwithstanding the issuance of Circular 147 on 20th October 2010 following the CSR announcement which increases the cost of new local authority fixed rate loans to 1% above the cost of the Government's borrowing, the PWLB remains an attractive source of borrowing, given the transparency and control that its facilities continue to provide. The types of PWLB borrowing that are considered appropriate for a low interest rate environment are:

- Variable rate borrowing

- Medium-term Equal Instalments of Principal (EIP) or Annuity Loans
 - Long-term Maturity loans, where affordable
- 4.6 Capital expenditure levels, market conditions and interest rate levels will be monitored during the year in order to minimise borrowing costs over the medium to longer term. The differential between debt costs and investment earnings, despite long term borrowing rates being at low levels, remains acute and this is expected to remain a feature during 2011/12. The “cost of carry” associated with medium and long-term borrowing compared to temporary investment returns means that new fixed rate borrowing could entail additional short-term costs. The use of internal resources in lieu of borrowing may again, in 2011/12, be the most cost effective means of financing capital expenditure.
- 4.7 PWLB variable rates are expected to remain low as the Bank Rate is maintained at historically low levels for an extended period. Exposure to variable interest rates will be kept under regular review. Each time the spread between long-term rates and variable rates narrows by 0.50%, this will trigger a formal review point and options will be considered in conjunction with the Authority’s Treasury Advisor and decisions taken on whether to retain the same exposure or change from variable to fixed rate debt.
- 4.8 The Council has three loans totalling £17m which are LOBO loans (Lender’s Options Borrower’s Option) of which two loans totalling £12m are currently in their call period. In the event that the lender exercises the option to change the rate or terms of these loans, the Council will consider the terms being provided and also repayment of the loans without penalty. The Council may utilise cash resources for repayment or may consider replacing the loans by borrowing from the PWLB.
- 4.9 The rationale for rescheduling would be one or more of the following:
- Savings in interest costs with minimal risk
 - Balancing the volatility profile (i.e. the ratio of fixed to variable rate debt) of the debt portfolio
 - Amending the profile of maturing debt to reduce any inherent refinancing risks.

As opportunities arise, they will be identified by Arlingclose and discussed with the Council’s officers.

5. **Investment Policy and Strategy**

- 5.1 Guidance from CLG on Local Government Investments in England requires that an Annual Investment Strategy (AIS) be set.
- 5.2 To comply with the CLG’s guidance, the Council’s general policy objective is to invest its surplus funds prudently. The Council’s investment priorities are:
- security of the invested capital;
 - liquidity of the invested capital;
 - an optimum yield which is commensurate with security and liquidity.
- 5.3 Investments are categorised as ‘Specified’ or ‘Non Specified’ investments based on the criteria in the CLG Guidance. Potential instruments for the Council’s use within its investment strategy are contained in Annexes C and D. The Borough Treasurer and Head of Assets under delegated powers, will undertake the most appropriate form of investments in keeping with the investment objectives, income and risk management requirements and Prudential Indicators.
- 5.4 Changes to investment strategy for 2011/12 include:
- AAA-rated Variable Net Asset Value (VNAV) Money Market Funds
 - T-Bills

- Local Authority Bills
- Term deposits in Sweden
- Maximum duration for new deposits 2 years

Investments managed in-house

- 5.5 The Council's shorter term cash flow investments are made with reference to the outlook for the UK Bank Rate and money market rates.
- 5.6 In any period of significant stress in the markets, the default position is for investments to be made with the Debt Management Office or UK Treasury Bills. (The rates of interest from the DMADF are below equivalent money market rates, but the returns are an acceptable trade-off for the guarantee that the Council's capital is secure.).
- 5.7 The Council selects countries and the institutions within them (see Annex C) for the counterparty list after analysis and careful monitoring of:
- Credit Ratings (minimum long-term A+ for counterparties; AA+ for countries)
 - Credit Default Swaps (where quoted)
 - GDP; Net Debt as a Percentage of GDP
 - Sovereign Support Mechanisms/potential support from a well-resourced parent institution
 - Share Prices (where quoted)
 - Macro-economic indicators
 - Corporate developments, news and articles , market sentiment.
- 5.8 The Council and its Treasury Advisors, Arlingclose, will continue to analyse and monitor these indicators and credit developments on a regular basis and respond as necessary to ensure security of the capital sums invested.
- 5.9 The UK Bank Rate has been maintained at 0.5% since March 2009, and is anticipated to remain at low levels throughout 2011/12. Short-term money market rates are likely to remain at very low levels for an extended period which will have a significant impact on investment income.
- 5.10 To protect against a lower for longer prolonged period of low interest rates and to provide certainty of income, 1 to 2-year deposits and longer-term secure investments will be actively considered within the limits the Council has set for Non-Specified Investments (see Annex D) and in accordance with the Prudential Indicator for sums invested over 364 days (see Annex A). The longer-term investments will be likely to include:
- Term Deposits with counterparties rated at least A+ (or equivalent)
 - Supranational Bonds (bonds issued by multilateral development banks): Even at the lower yields likely to be in force, the return on these bonds will provide certainty of income against an outlook of low official interest rates.

Investments managed externally

Funds managed on a segregated basis

- 5.11 The Council's funds are also managed on a discretionary basis by Investec. The fund's remit allows the managers scope to add value through the use of investments contained in Annex D and within the parameters and guidelines set for the Council's fund. Performance is monitored and measured against the benchmark set for the fund, prevailing economic conditions and investment opportunities. External investment managers are contractually required to comply with the Investment Strategy.
- 5.12 The fund manager's expectation on the range of returns is based on their economic outlook and their forecasts for gilt/bond yields and money market rates. This fund is no longer deemed suitable

for the low interest environment and all funds are being recalled with the fund likely to be wound up on 31st March 2011.

Collective Investment Schemes (Pooled Funds):

- 5.13 The Council has evaluated the use of Pooled Funds and determined the appropriateness of their use within the investment portfolio. Pooled funds enable the Council to diversify the assets and the underlying risk in the investment portfolio and provide the potential for enhanced returns.
- 5.14 Investments in pooled funds will be undertaken with advice from Arlingclose. The Council is planning to invest in a Pooled Fund with Investec who are currently demonstrating good performance. The performance and continued suitability of these funds in meeting the Council's investment objectives are regularly monitored.

6. Balanced Budget Requirement

- 6.1 The Council complies with the provisions of S32 of the Local Government Finance Act 1992 to set a balanced budget.

7. 2011/12 MRP Statement

- 7.1 The Local Authorities (Capital Finance and Accounting)(England)(Amendment) Regulations 2008 (SI 2008/414) place a duty on local authorities to make a prudent provision for debt redemption. Guidance on Minimum Revenue Provision has been issued by the Secretary of State and local authorities are required to "have regard" to such Guidance under section 21(1A) of the Local Government Act 2003.

- 7.2 The four MRP options available are:

Option 1: Regulatory Method

MRP is equal to the amount determined in accordance with the 2003 Regulations (as amended), as if they had not been revoked by the 2008 Regulations

Option 2: CFR Method

MRP is equal to 4% of the Capital Financing Requirement (CFR), as derived from the balance sheet at the end of the preceding financial year

Option 3: Asset Life Method

MRP is determined by reference to the life of the asset, by equal instalment method or annuity method

Option 4: Depreciation Method

MRP is to be equal to the provision required in accordance with depreciation accounting

NB This does not preclude other prudent methods.

- 7.3 MRP in 2011/12: Options 1 and 2 may be used only for supported expenditure. Methods of making prudent provision for self financed expenditure include Options 3 and 4 (which may also be used for supported expenditure if the Council chooses).
- 7.4 The MRP Statement will be submitted to Council before the start of the 2011/12 financial year. If it is ever proposed to vary the terms of the original MRP Statement during the year, a revised statement should be put to Council at that time.
- 7.5 The Council will apply Option 2 in respect of supported capital expenditure and Option 3 in respect of unsupported capital expenditure.

8. Reporting on the Treasury Outturn

- 8.1 The Borough Treasurer & Head of Assets will report to the Cabinet on treasury management activity / performance as follows:
- (a) Quarterly against the strategy approved for the year.
 - (b) The Council will produce an outturn report on its treasury activity no later than 30th September after the financial year end.
 - (c) The Cabinet will be responsible for the oversight of performance on treasury management activity and practices.
- 8.2 An update on Treasury Management Investments and key activity will be reported to Corporate Management Team and Cabinet members on a weekly basis.

9. Other items

Training

- 9.1 CIPFA's Code of Practice requires the Borough Treasurer & Head of Assets to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully their roles and responsibilities.
- 9.2 Treasury management staff will have regular access to training opportunities to ensure they are fully up to date with developments. This will be delivered by a combination of workshops provided by Arlingclose and CIPFA technical updates.
- 9.3 Treasury management training for those members charged with governance will also be arranged during the 2011/12 financial year.

Investment Consultants

- 9.4 The CLG's Guidance on local government investments recommend that the Investment Strategy should state:
- Whether and, if so, how the authority uses external contractors offering information, advice or assistance relating to investment and
 - How the quality of any such service is controlled.
- 9.5 Cheshire East BC has appointed Arlingclose Ltd to advise on investments following a joint tender exercise carried out with Cheshire West and Chester Council. The Council expects to be kept regularly informed on any changes in opinion on potential counterparties with immediate notification of potential problems with any counterparties. A regular review is carried out by Arlingclose on all aspects of Cheshire East's investment activities.

PRUDENTIAL INDICATORS 2011/12 TO 2013/14

1 Background:

- 1.1 There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators.

2. Net Borrowing and the Capital Financing Requirement:

- 2.1 This is a key indicator of prudence. In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that the net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.
- 2.2 The Borough Treasurer & Head of Assets reports that the authority had no difficulty meeting this requirement in 2010/11, nor are there any difficulties envisaged for future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

3. Estimates of Capital Expenditure:

- 3.1 This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax.

No. 1	Capital Expenditure	2010/11 Approved £m	2010/11 Revised £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m
	Total	103	90	77	27	22

- 3.2 Capital expenditure will be financed as follows:

Capital Financing	2010/11 Approved £m	2010/11 Revised £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m
Capital receipts	24	21	16	3	1
Government grants	52	40	35	15	15
External contributions	1	5	1	0	0
Revenue contributions	4	2	1	0	0
Supported borrowing	16	17	4	1	0
Unsupported borrowing	6	5	20	8	6
Total	103	90	77	27	22

Note: the element to be financed from borrowing impacts on the movement in the Capital Financing Requirement.

4. Ratio of Financing Costs to Net Revenue Stream:

- 4.1 This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet borrowing costs. The definition of financing costs is set out at paragraph 37 of the Prudential Code.

4.2 The ratio is based on costs net of investment income.

No. 2	Ratio of Financing Costs to Net Revenue Stream	2010/11 Approved	2010/11 Revised	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate
	Total	5.64	4.91	5.59	6.11	6.28

5. Capital Financing Requirement:

5.1 The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and its financing. It is an aggregation of the amounts shown for Fixed and Intangible assets, the Revaluation Reserve, the Capital Adjustment Account, Government Grants Deferred and any other balances treated as capital expenditure**.

No. 3	Capital Financing Requirement	2010/11 Approved £m	2010/11 Revised £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m
	Total CFR	184	206	221	217	212

*

* in line with CIPFA's guidance, any investments or other items not falling within the classification of fixed or intangible assets, but financed from capital resources must be included within the CFR for the purposes of this calculation.

6. Actual External Debt:

6.1 This indicator is obtained directly from the Council's balance sheet. It is the closing balance for actual gross borrowing plus other long-term liabilities. This Indicator is measured in a manner consistent for comparison with the Operational Boundary and Authorised Limit.

No. 4	Actual External Debt as at 31/03/2010	£m
	Borrowing	135
	Other Long-term Liabilities	23
	Total	157

7. Incremental Impact of Capital Investment Decisions:

7.1 This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax levels. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with an equivalent calculation of the revenue budget requirement arising from the proposed capital programme.

No. 5	Incremental Impact of Capital Investment Decisions	2010/11 Approved £	2011/12 Estimate £	2012/13 Estimate £	2013/14 Estimate £
	Increase in Band D Council Tax	3.27	2.33	8.77	2.83

8. Authorised Limit and Operational Boundary for External Debt:

8.1 The Council has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Council and not just those arising from capital spending reflected in the CFR.

8.2 The **Authorised Limit** sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) and is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).

No. 6	Authorised Limit for External Debt	2010/11 Approved £m	2010/11 Revised £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m
	Borrowing	195	197	213	208	204
	Other Long-term Liabilities		23	22	22	21
	Total	195	220	235	230	225

8.3 The **Operational Boundary** links directly to the Council's estimates of the CFR and estimates of other cashflow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

8.4 The Borough Treasurer & head of Assets has delegated authority, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities. Decisions will be based on the outcome of financial option appraisals and best value considerations. Any movement between these separate limits will be reported to the next meeting of the Council.

No. 7	Operational Boundary for External Debt	2010/11 Approved £m	2010/11 Revised £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m
	Borrowing	185	187	203	198	194
	Other Long-term Liabilities		23	22	22	21
	Total	185	210	225	220	215

9. Adoption of the CIPFA Treasury Management Code:

9.1 This indicator demonstrates that the Council has adopted the principles of best practice.

No. 8	Adoption of the CIPFA Code of Practice in Treasury Management
	The Council approved the adoption of the CIPFA Treasury Management Code at its Council meeting on 25 February 2010

The Council has incorporated the changes from the revised CIPFA Code of Practice into its treasury policies, procedures and practices.

10. Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure:

10.1 These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. This Council calculates these limits on net principal outstanding sums, (i.e. fixed rate debt net of fixed rate investments).

10.2 The upper limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could adversely impact on the revenue budget. The limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments

		2010/11 Approved %	2010/11 Revised %	2011/12 Estimate %	2012/13 Estimate %	2013/14 Estimate %
No. 9	Upper Limit for Fixed Interest Rate Exposure	100	100	100	100	100
No. 10	Upper Limit for Variable Interest Rate Exposure	100	100	100	100	100

10.3 The limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Council's treasury management strategy.

11. Maturity Structure of Fixed Rate borrowing:

11.1 This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

11.2 It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

No. 11	Maturity structure of fixed rate borrowing	Existing level as at 11/01/11 %	Lower Limit %	Upper Limit %
	under 12 months	2%	0	25%
	12 months and within 24 months	4%	0	25%
	24 months and within 5 years	15%	0	35%
	5 years and within 10 years	20%	0	50%
	10 years and within 20 years	7%	0	100%
	20 years and within 30 years	14%	0	100%
	30 years and within 40 years	15%	0	100%
	40 years and within 50 years	23%	0	100%
	50 years and above	0%	0	100%

12. Upper Limit for total principal sums invested over 364 days:

12.1 The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested.

No. 12	Upper Limit for total principal sums invested over 364 days	2010/11 Approved %	2010/11 Revised %	2011/12 Estimate %	2012/13 Estimate %	2013/14 Estimate %
		40	40	40	40	40

Arlingclose's Economic and Interest Rate Forecast

	Dec-10	Mar-11	Jun-11	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13
Official Bank Rate											
Upside risk	-	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central case	0.50	0.50	0.50	0.75	1.00	1.25	1.50	2.00	2.50	2.75	2.75
Downside risk	-	-	-	- 0.25	- 0.50	- 0.50	- 0.50	- 0.50	- 0.50	- 0.50	- 0.50
1-yr LIBID											
Upside risk	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central case	1.50	1.75	2.00	2.25	2.50	2.75	3.00	3.25	3.50	3.50	3.50
Downside risk	- 0.25	- 0.25	- 0.25	- 0.25	- 0.50	- 0.50	- 0.50	- 0.50	- 0.50	- 0.50	- 0.50
5-yr gilt											
Upside risk	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central case	2.00	2.25	2.75	3.25	3.50	3.75	4.00	4.00	4.00	4.00	4.00
Downside risk	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25
10-yr gilt											
Upside risk	0.25	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50
Central case	3.50	3.75	3.75	4.00	4.25	4.50	4.75	4.75	4.75	4.75	4.75
Downside risk	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25
20-yr gilt											
Upside risk	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50
Central case	4.25	4.50	4.75	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Downside risk	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25
50-yr gilt											
Upside risk	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central case	4.25	4.25	4.50	4.75	4.75	4.75	4.75	4.50	4.50	4.50	4.50
Downside risk	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25	- 0.25

- The recovery in growth is likely to be slow, uneven and more “Square root” than “V” shaped.
- The initial reaction to the Comprehensive Spending Review (CSR) is positive, but implementation risks remain.
- The path of base rates reflects the fragility of the recovery and the significantly greater fiscal tightening of the emergency budget. With growth and underlying inflation likely to remain subdued, the Bank will stick to its lower for longer stance on policy rates.
- Uncertainty surrounding Eurozone sovereign debt and the risk of contagion will remain a driver of global credit market sentiment.

Underlying assumptions:

- The framework and targets announced in the CSR to reduce the budget deficit and government debt are as announced in June and focuses on how the cuts are to be distributed. The next fiscal milestone will be the Office Of Budget Responsibility's assessment of the CSR's implications for growth, employment and inflation.
- The minutes of the Monetary Policy Committee's December meeting suggested a movement away from further Quantitative Easing. Despite Money Supply being weak and growth prospects remaining subdued the MPC have gravitated towards increasing rates in the new year as global inflation continues to rise along with household inflation.
- Consumer Price Inflation is stubbornly above 3% and is likely to spike above 4% in January as VAT, Utilities and Rail Fares are increased.
- Unemployment remains near a 16 year high, at just over 2.5 Million, and is set to increase as the Public Sector shrinks. Meanwhile employment is growing but this is mainly due to part time work, leaving many with reduced income.
- Recently announced Basel III capital/liquidity rules and extended timescales are positive for banks. Restructuring of UK banks' balance sheets is ongoing and expected to take a long time to complete. This will be a pre-condition for normalisation of credit conditions and bank lending.
- Mortgage repayment, a reduction in net consumer credit and weak consumer confidence are consistent with lower consumption and therefore future trend rates of growth, despite Q3's fairly strong performance.

- The US Federal Reserve downgraded its outlook for US growth; the Fed is concerned enough to signal further QE through asset purchases. Industrial production and growth in the Chinese economy are showing signs of slowing. Both have implications for the global economy.

Specified Investments

Specified Investments will be those that meet the criteria in the CLG Guidance, i.e. the investment

- is sterling denominated
- has a maximum maturity of 1 year
- meets the “high” credit quality as determined by the Council or is made with the UK government or is made with a local authority in England, Wales and Scotland or Northern Ireland or a parish or community council.
- the making of which is not defined as capital expenditure under section 25(1)(d) in SI 2003 No 3146 (i.e. the investment is not loan capital or share capital in a body corporate).

“Specified” Investments identified for the Council’s use are:

- Deposits in the DMO’s Debt Management Account Deposit Facility
- Deposits with UK local authorities
- Deposits with banks and building societies
- *Certificates of deposit with banks and building societies
- *Gilts : (bonds issued by the UK government)
- *Bonds issued by multilateral development banks
- Treasury Bills (T-Bills)
- Local Authority Bills (LA Bills)
- AAA-rated Money Market Funds with a Constant Net Asset Value (CNAV)
- AAA-rated Money Market Funds with a Variable Net Asset Value (VNAV)
- Other Money Market Funds and Collective Investment Schemes– i.e. credit rated funds which meet the definition of a collective investment scheme as defined in SI 2004 No 534 and SI 2007 No 573.

1. ** Investments in these instruments will be on advice from the Council’s treasury advisor.*
2. *The use of the above instruments by the Council’s fund manager(s) will be by reference to the fund guidelines contained in the agreement between the Council and the individual manager.*

For credit rated counterparties, the minimum criteria will be the lowest equivalent short-term/long-term ratings assigned by Moody’s, Standard & Poor’s and Fitch (where assigned):

Long-term minimum: A1 (Moody’s) or A+ (S&P) or A+(Fitch)

Short-term minimum: P-1 (Moody’s) or A-1 (S&P) or F1 (Fitch).

In addition the Council will also make use of short term call accounts with the Councils current bankers, the Co-operative Bank, whose ratings are lower than the above minimum criteria.

The Council will also take into account information on corporate developments of and market sentiment towards investment counterparties.

New specified investments will be made within the following limits:

Instrument	Country	Counterparty	Maximum Limit of Investments %/£m
Term Deposits	UK	DMADF, DMO	No limit
Term Deposits/Call Accounts	UK	Other UK Local Authorities	No limit
Term Deposits/Call Accounts	UK	Bank of Scotland/Lloyds TSB	25% up to £20m
Term Deposits/Call Accounts	UK	Barclays	25% up to £20m
Term Deposits/Call Accounts	UK	Clydesdale (inc Yorkshire Bank)	25% up to £20m
Call Accounts	UK	Co-Operative Bank	25% up to £10m
Term Deposits/Call Accounts	UK	HSBC	25% up to £20m
Term Deposits/Call Accounts	UK	National Westminster Bank (note – part of RBS group)	25% up to £20m
Term Deposits/Call Accounts	UK	Nationwide Building Society	25% up to £20m
Term Deposits/Call Accounts	UK	Royal Bank of Scotland	25% up to £20m
Term Deposits/Call Accounts	UK	Santander (UK)	25% up to £20m
Term Deposits/Call Accounts	UK	Standard Chartered Bank	25% up to £20m
Term Deposits/Call Accounts	Australia	Australia and NZ Banking Group	15% up to £15m
Term Deposits/Call Accounts	Australia	Commonwealth Bank of Australia	15% up to £15m
Term Deposits/Call Accounts	Australia	National Australia Bank Ltd	15% up to £15m
Term Deposits/Call Accounts	Australia	Westpac Banking Corp	15% up to £15m
Term Deposits/Call Accounts	Canada	Bank of Montreal	15% up to £15m
Term Deposits/Call Accounts	Canada	Bank of Nova Scotia	15% up to £15m
Term Deposits/Call Accounts	Canada	Canadian Imperial Bank of Commerce	15% up to £15m
Term Deposits/Call Accounts	Canada	Royal Bank of Canada	15% up to £15m
Term Deposits/Call Accounts	Canada	Toronto-Dominion Bank	15% up to £15m
Term Deposits/Call Accounts	Finland	Nordea Bank Finland	15% up to £15m
Term Deposits/Call Accounts	France	BNP Paribas	15% up to £15m
Term Deposits/Call Accounts	France	Credit Agricole CIB	15% up to £15m
Term Deposits/Call Accounts	France	Credit Agricole SA	15% up to £15m

Term Deposits/Call Accounts	Germany	Deutsche Bank AG	15% up to £15m
Term Deposits/Call Accounts	Netherlands	ING Bank NV	15% up to £15m
Term Deposits/Call Accounts	Netherlands	Rabobank	15% up to £15m
Term Deposits/Call Accounts	Sweden	Svenska Handelsbanken	15% up to £15m
Term Deposits/Call Accounts	Switzerland	Credit Suisse	15% up to £15m
Term Deposits/Call Accounts	US	JP Morgan Chase Bank	15% up to £15m
Gilts	UK	DMO	No limit
T-Bills	UK	DMO	No limit
LA-Bills	UK	Other UK Local Authorities	No limit
Bonds issued by multilateral development banks	EU	For Example: European Investment Bank/Council of Europe	25% up to £20m
AAA rated Money Market Funds	UK/Ireland/Luxembourg	CNAV MMFs VNAV MMFs (where there is greater than 12 month history of a consistent £1 Net Asset Value)	25% up to £20m per fund Limit of 50% in all funds
Other MMFs and CIS	UK/Ireland/Luxembourg	Pooled funds which meet the definition of a Collective Investment Scheme per SI 2004 No 534 and subsequent amendments	25% up to £20m

Note: If the credit rating of any of the above institutions falls below the minimum criteria then no further investments will be made with that institution until their credit ratings increase to at least the minimum criteria. Similarly if institutions whose credit ratings are currently below the minimum criteria and, therefore, not listed above have their credit ratings re-assessed so that they meet the minimum criteria then they may be considered suitable for investment (limits for UK institutions set at 25% up to £20m and non-UK institutions set at 15% up to £15m).

The above limits will also apply to banking groups where institutions are part of the same group (i.e where two or more named institutions are part of the same group of companies then the limit applies to the aggregate of investments with all institutions within the group).

A limit of 40% of total investments to apply to investments in non-UK banks at any one time with a limit of 25% of total investments in any one non-UK country.

Where practical any investments in Money Market Funds should be spread between at least two funds.

NB Any existing deposits outside of the current criteria will be reinvested with the above criteria on maturity.

Non-Specified Investments

Having considered the rationale and risk associated with Non-Specified Investments, the following have been determined for the Council's use:

	In-house use	Use by fund managers	Maximum maturity	Max % of portfolio	Capital expenditure?
<ul style="list-style-type: none"> Deposits with banks and building societies Certificates of deposit with banks and building societies 	✓	✓	5 yrs	25% in aggregate	No
Gilts and bonds <ul style="list-style-type: none"> Gilts Bonds issued by multilateral development banks Bonds issued by financial institutions guaranteed by the UK government Sterling denominated bonds by non-UK sovereign governments 	✓ (on advice from treasury advisor)	✓	10 years	75% in aggregate	No
Money Market Funds and Collective Investment Schemes but which are not credit rated	✓ (on advice from treasury advisor)	✓	These funds do not have a defined maturity date	50%	No
Government guaranteed bonds and debt instruments issued by corporate bodies	✓	✓	10 years	25%	Yes
Non-guaranteed bonds and debt instruments issued by corporate bodies	✓	✓	10 years	25%	Yes
Collective Investment Schemes (Pooled funds) which do not meet the definition of collective investment schemes in SI 2004 No 534 or SI 2007 No 573	✓ (on advice from treasury advisor)	✓	These funds do not have a defined maturity date	50%	Yes

1. In determining the period to maturity of an investment, the investment should be regarded as commencing on the date of the commitment of the investment rather than the date on which funds are paid over to the counterparty.
2. The use of the above instruments by the Council's fund manager(s) will be by reference to the fund guidelines contained in the agreement between the Council and the individual manager.

CHESHIRE EAST COUNCIL

REPORT TO: COUNCIL

Date of Meeting:	24 th February 2011
Report of:	Borough Treasurer and Head of Assets
Subject/Title:	Council Tax 2011/12 – Statutory Resolution
Portfolio Holder:	Cllr Wesley Fitzgerald

1.0 Report Summary

- 1.1 The Council is responsible for the billing and collection of all Council Tax due from local taxpayers. This means that the authority has to collect Council Tax to cover not only its own services but also precepts set by other authorities. The Council Tax levied is therefore made up of four elements:

- Cheshire East Borough Council element
- Parish Councils & Charter Trustees precepts
- Cheshire Police Authority precept
- Cheshire Fire Authority precept

2.0 Decision Requested

- 2.1 To set the Council Tax for the financial year 2011/12, in accordance with the formal resolutions as shown in section 19 of the report.

3.0 Reasons for Recommendations

- 3.1 In accordance with the Local Government Finance Act 1992 the Council is required to set the amounts of the Council Tax for 2011/12 for each of the categories of dwelling in the Council Tax area. This requirement is achieved by approving the statutory resolution shown in this report.

4.0 Wards Affected

- 4.1 Not applicable.

5.0 Local Ward Members

- 5.1 Not applicable.

6.0 Policy Implications including – Carbon Reduction - Health

- 6.1 None.

7.0 Financial Implications (Authorised by the Borough Treasurer)

8.1 As covered in the report.

9.0 Legal Implications (Authorised by the Borough Solicitor)

9.1 As covered in the report.

10.0 Risk Management

10.1 The steps outlined in this report will address the main legal and financial risk to the Council's financial management in the setting of a legal Council Tax for 2011/2012.

11.0 Background

11.1 The Council Tax levied is made up of four elements as follows:

- the Council Tax Base for 2011/12 - Appendix A.
- the statutory calculation required to arrive at the amount of Council Tax for each area in respect of Borough Council, Parish Council and Charter Trustees requirements - Appendices B and C.
- the precepts issued by Cheshire Police Authority and Cheshire Fire Authority under Section 40 of the Act – sections 16 and 17 of the report.
- the statutory calculation of the aggregate of the Borough Council, Parish Council, Charter Trustees, Cheshire Police Authority and Cheshire Fire Authority amount of Council Tax for each of the categories of the dwelling for each Council Tax area – Appendix D.

12.0 Council Tax Base

12.1 The Council Tax base for 2011/12 year is 146,899.21. A breakdown of the calculation by Parish and Charter Trustees area is shown in Appendix A.

13.0 General Fund Budget

13.1 On 14th February 2011 Cabinet recommended a General Fund Budget of £249,015,000. The budget is detailed in a separate report on the Council Agenda.

14.0 Cheshire East Borough Council Tax

14.1 The amount of Council Tax that the Borough Council is to levy is:

	£000
Net Budget Requirement	249,015,000
Less Revenue Support Grant	16,607,474
Less Business Rate Pool	53,727,978
Council Tax Requirement	178,679,548

The Band D Council Tax is therefore £1,216.34 (the net requirement of £178,679,548 divided by the tax base of 146,899.21).

15.0 Parish Council and Charter Trustee Precepts

15.1 Each Parish Council and the Charter Trustees of Crewe and Macclesfield have notified the Council with its precept requirement for the year. The total amount of these special items is £3,442,711 which produces an average Band D Council Tax of £23.44.

16.0 Police Authority Precept

16.1 The precept demand issued by Cheshire Police Authority is £xx,xxx,xxx which produces a Band D Council Tax of £xxx.xx. This represents an increase of £x.xx (x.xx%). Cheshire Police Authority has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwelling shown below:-

Valuation Bands							
A	B	C	D	E	F	G	H

17.0 Fire Authority Precept

17.1 The precept demand issued by Cheshire Fire Authority is £9,758,515 which produces a Band D Council Tax of £66.43. This represents an increase of £0.00 (0.00%). Cheshire Fire Authority has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwelling shown below:-

Valuation Bands							
A	B	C	D	E	F	G	H
44.29	51.67	59.05	66.43	81.19	95.95	110.72	132.86

18.0 Total Council Tax

The average Council Tax to be charged to taxpayers in Band D can be summarised as follows:

Element	Charge
	£
Cheshire East Borough Council	1,216.34
Average for Parish Councils and Charter Trustees	23.44
Average Local Council Tax	1239.78
Cheshire Police Authority	xxx.xx
Cheshire Fire Authority	66.43
Total Council Tax	

19 Formal Resolution

19.1 That it be noted that the Council calculated the following amount for the year 2011/12 in accordance with Regulations made under Section 30 - 36 of the Local Government Finance Act 1992:-

- a. £775,794,711 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2) (a) to (e) of the Act.
- b. £523,337,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) (a) to (c) of the Act.
- c. £252,457,711 being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year.
- d. £70,335,452 being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non domestic rates (£53,727,978) and revenue support grant (£16,607,474) in accordance with Section 97(4) of the Local Government Finance Act 1988.

- e. £1,239.78 being the amount at (c) above less the amount at (d) above, all divided by the amount of the tax base, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year.
- f. £3,442,711 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- g. £1,216.34 being the amount at (e) above less the result given by dividing the amount at (f) above by the amount of the tax base, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.
- h. Appendix A being the amounts calculated by the Council, in accordance with regulations 3 and 6 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its total council tax base for the year and council tax base for dwellings in those parts of its area to which one or more special items relate.
- i. Appendix B being the amounts given by adding to the amount at (g) above, the amounts of special items relating to dwellings in those parts of the Council's area mentioned above divided by in each case the appropriate tax base from Appendix A, calculated by the Council in accordance with Section 34(3) of the 1992 Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of the area to which one or more special items relate. (Band D charges for each Parish and Charter Trustees area).
- j. Appendix C being the amounts given by multiplying the amount at (i) above by the number which, in the proportion set out in Section 5(1) of the 1992 Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the 1992 Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands (Local charges for all Bands).
- k. Appendix D being the aggregate of the local charges in (j) above and the amounts levied by major precepting authorities, calculated in accordance with Section 30(2) of the 1992

Act (The total Council Tax charge for each band in each Parish and Charter Trustees area).

20.0 *Access to Information*

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

Name:	Lisa Quinn
Designation:	Borough Treasurer and Head of Assets
Tel No:	01270 686628
Email:	lisa.quinn@cheshireeast.gov.uk

COUNCIL MEETING – 24TH FEBRUARY 2011**Extract from the Minutes of the Cabinet Meeting on 14 February 2011****MINUTE 136 CORPORATE PLAN 2011-13 (Year 3)**

Consideration was given to amendments to the Corporate Plan, as part of an annual review in parallel with budget setting. The Plan set out the framework for policy development within the Council which was then translated into objectives and actions for delivery; it therefore needed to reflect the financial planning undertaken in the budget setting process so as to ensure that the Council was able to deliver its priorities for action.

The updates to the Corporate Plan were due to be considered by the Council at its meeting on 24 February 2011 and Cabinet recommended that: -

RESOLVED

Council approves the updates to the Corporate Plan, noting that there may be need for further editorial amendments and updating following budget setting.

This page is intentionally left blank

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting: 14 February 2011
Report of: Head of Policy & Performance
Subject/Title: Corporate Plan 2011-2013 (Year 3)
Portfolio Holder: Councillor David Brown

1.0 Report Summary

- 1.1 To present amendments to the Corporate Plan as part of its annual refresh in parallel with budget setting.

2.0 Decision Requested

- 2.1 To determine the updates to the Corporate Plan, noting that there may be need for further editorial amendments and updating following budget setting, and to recommend that it be adopted by Council on 24th February 2010.

3.0 Reasons for Recommendations

- 3.1 To enable the Corporate Plan to be adopted by Council

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

6.0 Policy Implications

- 6.1 The Corporate Plan provides the framework for all policy development within the Council. It is important that the priorities, plans and ambitions set out within the Plan are translated into objectives and actions for delivery within departmental, service, team and individual performance plans.

7.0 Financial Implications (Authorised by the Borough Treasurer)

- 7.1 The Corporate Plan reflects the financial planning undertaken in the current budget setting process, thereby ensuring that the Council is able to deliver its priorities for action.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 The Corporate Plan forms part of the Policy Framework and must be submitted to Council for adoption.

9.0 Risk Management

- 9.1 None

10.0 Background and Options

- 10.1 The Council adopted the Corporate Plan for 2010-2013 in July of last year. The intention is that, during the 3 year life of the Plan, it be refreshed annually to ensure it remains fit for purpose and up to date. The timing of the refresh is part of the Council's business planning cycle and is an important part of the budget setting process as it sets the overall strategic direction of the Council, against which the objectives, priorities, resources and actions of the Council can be aligned and performance managed.

- 10.2 The current Plan was agreed last year following an extensive process involving Cabinet, Scrutiny, Corporate Management Team and staff, and the business planning consultation exercise. The corporate objectives emerged as follows:

- To give the people of Cheshire East more choice and control about services and resources
- To grow and develop a sustainable Cheshire East
- To improve life opportunities and health for everybody in Cheshire East
- To enhance the Cheshire East environment
- Being an excellent Council and working with others – to deliver for Cheshire East

As well as detailing some of the actions the Council will take in delivering these objectives, the Plan sets out how the Council is organised, provides contextual information about Cheshire East and gives an overview of performance and financial information.

- 10.3 Over recent weeks and in tandem with the budget process, the Plan has been reviewed so as to ensure it remains up to date and fit for purpose. Service plans have also helped in better informing the refresh. As a result of this exercise, it is considered that the objectives do indeed remain fit for purpose in setting the Council's strategic direction. However, a number of changes are suggested. Firstly, to bring all information and statistics up to date. Secondly, more significant amendments are proposed to the following sections:

Welcome – has been refreshed to take account of the current financial situation and policy context

Children and Young People – has been updated to provide more contextual and up to date information

Working With our Partners – now reflects the establishment of the Local Enterprise Partnership and the need to create a new statutory Health & Well Being Board

Listening to You – has been refreshed with information from recent consultation activity

What we Want for the Future – the description of Corporate Objective 3 has been reworded to better reflect the Council's intentions

How we will Resource our Priorities – this section will need to be reworded to take account of the final budget

Organising to Deliver – more information has been given about risk management

Appendix – has been updated using information from the most recent Service Plans

A working draft of the Plan is attached with the proposed changes shown in colour. There may be need for further editorial amendments prior to the Plan being finalised for printing.

- 10.4 Cabinet is asked to agree the suggested changes and recommend the Plan's adoption to Council on 28th February. Once Council has agreed the recommended changes and the budget has been finalised, the Plan for 2011-13 will be produced in its final format and circulated to all Members of the Council and published on the Council's website.
- 10.5 All directorates are currently updating their service plans for 2011/12, having regard to the Corporate Plan. These plans set out the objectives, actions and performance measures for each service area, as well as actions for risk management and workforce development. Service plans will be completed by 31st March 2011.

11.0 Access to Information

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

Name: Zandra Neeld

Designation: Performance Manager

Tel No: 01270 686633

E-mail: zandra.neeld@cheshireeast.gov.uk

This page is intentionally left blank



Corporate Plan

2011 / 2013

February 2011

**Welcome from Wesley Fitzgerald, Leader and Erika Wenzel,
Chief Executive
Welcome to our Corporate Plan for 2011 to 2013**

The wording of this introduction is subject to finalisation of the budget for 2011/12

This is our Corporate Plan for the third year of Cheshire East Council, and sets out how we will achieve our vision of:

“Working together to improve community life”

Cheshire East Council has worked with partners and local communities to develop our Sustainable Community Strategy, “*Ambition for All*”, which sets out seven priorities for action. In our Corporate Plan we identify what we, the Council, will do over the coming year to address these priorities.

There is no doubt that these are challenging times. We continue to strive for improvement in the quality and value of the services we provide, but within a context of reduced funding and growing demand. In Cheshire East the population is generally ageing, requiring more care, the demand for protection of our young people has also increased, and the weather has seriously affected the condition of our roads.

It is clear that we will have to do more with less. In setting our budget for 2011/12 we have had to respond to reductions in government grant, increasing cost pressures and reductions in ring fenced grants. Despite this cut, the Council has decided to increase funding in a number of areas including adult services, children in care, and roads maintenance. The Council has also decided to freeze council tax for next year.

Despite the challenges ahead, we must be ambitious in what we can achieve. This can be on a big scale, such as how we respond to changes in the delivery of health services or how we progress the localism agenda. It also means the improvements every team can make by continuing to put value for money and customer service at the heart of delivery.

We know that the wide range of services we deliver has a huge impact on a lot of people, and you have our commitment that we will be working closely with you to make sure that we are delivering first-class services at the right time and in the right place so that Cheshire East is a great place to live, work and visit.

Your Council, Your Services, Your Plan

Cheshire East Council Corporate Plan 2010-2013

Contents

1. Introduction
2. Who We Are and What We Want to Achieve
3. What Cheshire East is Like Now
4. Working With Our Partners
5. How We Are Performing
6. Listening to You
7. Transforming Our Services
8. What We Want for the Future
9. How We Will Resource Our Priorities
10. Organising to Deliver

Appendix 1

Corporate Objectives

Contacts and Further Information

Introduction

Cheshire East – the place

Cheshire East is the third largest unitary authority in the North West and has around 363,000 residents. Our neighbours include North Staffordshire, Manchester, Cheshire West & Chester, Stockport and Warrington. First impressions of Cheshire East are often of leafy lanes and wealthy households. Indeed as an area we host 5% of the North West workforce and 7.5% of North West businesses are based here. This can hide the reality that it is a diverse area with many differences in income, employment and health. Figures that really show this include the life expectancy across the area. In parts of Macclesfield the average life expectancy for a woman is 94, but in areas of Crewe it is 77 – a huge difference of 17 years. Household income also differs, ranging from £65,000 in parts of Macclesfield to £18,000 in parts of Crewe.

Cheshire East Council has a responsibility to ensure that all its services meet these different needs and that the way services are delivered across the area are developed and shaped to ensure that all who need them benefit from them. Our plan sets out how we will do this, who will be involved and how we will know if we have improved services for local people.

The Corporate Plan in the community context

Whilst the Council has statutory obligations to fulfil, regional priorities to consider, and National initiatives to participate in, this plan is based on what our communities have told us they want and need. Through this community focused approach and working with our partners, we have developed a number of key targets and priorities. The Corporate Plan focuses specifically on what we as a council will do to improve your services and get better outcomes for local residents, businesses and visitors. It keeps a clear focus on what Cheshire East will deliver for local people and how we will play our part to create strong and prosperous communities.

Other local organisations, such as the Police, Fire and Rescue and the Primary Care Trusts, have their own Corporate Plans that relate to outcomes for Cheshire East people. In addition, many local organisations work together with us to develop joint strategies and improvement plans, for example the Children and Young People's Plan.

To turn our priorities into reality, we have developed departmental and service plans that provide fuller detail about how the Corporate Plan will be delivered.

Our staff play a vital role in the successful delivery of these priorities and they, along with other key partners, have been asked for their contribution to setting out how we as a council will work to improve local services.

We believe that excellent services can only be provided through fully engaged, satisfied and capable staff. We will work with staff to raise awareness of the priorities and to gain their input on outcomes and actions, including how services will contribute towards the achievement of the priorities. We will also consult with key partners.

The Corporate Plan will be updated each year to ensure that new priorities and objectives are included. This will mean that the Council will be able to respond to emerging issues and community views. Our Annual Performance Plan will clearly show how the Council performed against its priorities and how improvements for the future will be made.

This diagram shows how the long-term vision for Cheshire East, set out in Ambition for All the Sustainable Community Strategy (SCS), links to our Corporate Plan objectives, and then through to the specific strategies and action plans right down to team and individual objectives. Each member of staff and each service area should be able to identify how their work contributes to the achievement of the Council's corporate objectives and to the overall vision for Cheshire East in 2025.

DIAGRAM OF KEY STRATEGIES AND PLANS

Key Strategies and Plans

consists of:

*Local Development Framework,
Local Transport Plan, Housing
Strategy, Economic Development
Strategy, Visitor Economy Strategy,
Carbon Management Strategy, Climate Change Adaptation Strategy,
Health Inequalities Strategy and Children
and Young People's Plan.*

Who we are and what we want to achieve

Cheshire East Council provides services which are important to everyone in their daily lives. The Council maintains the roads, provides transport services, commissions school places and specialist support services for vulnerable children and their families, educates children, provides social care to elderly and vulnerable people, and looks after waste and recycling, to mention but a few.

We are proud of our local area and feel a strong sense of responsibility towards its care. The beautiful diversity of the countryside, the rich cultural heritage and the character of the towns of Cheshire East provide a wonderful environment within which to live. From the dramatic scenery of the Peak District in the east to the open farmland and green spaces around the towns, people are never far from an area of natural beauty.

Macclesfield and Crewe are our largest towns, with Wilmslow and Congleton also providing substantial town centres. Our smaller towns of Sandbach, Poynton, Nantwich, Middlewich, Knutsford and Alsager historically provided market centres for local people and continue to play an important role in local life. The strong communities that exist within these towns and in our rural areas provide Cheshire East with vibrancy and give people a sense of belonging.

The Council wants to focus on the things that matter most to local people. We aim to make Cheshire East a thriving and vibrant place where people can enjoy a good quality of life and good health. This includes being able to learn and develop their skills and put them to good use in our local communities and further afield, with opportunities for everyone to fulfil their potential. Our thriving community should provide everyone with greater wealth to share, aiming for greater equality amongst its members in a range of ways.

A flourishing business community is essential to sustaining this success. In addition, the Council aims to make our communities safer and stronger, and develop good local involvement in decision-making about local services, providing personal choice where appropriate. We want to see an appropriate mix of house types and tenures to support economic growth ranging from affordable housing to executive economic growth ranging from affordable housing to executive housing to ensure that people can reside close to their place of work. In short, we want: *'Cheshire East to be a great place to live, work, visit and enjoy.'*

As a council we work closely with a range of partner organisations to help us achieve our ambitions, within the private, public, community and voluntary sectors. We believe this is important to ensure people receive integrated services that are good value for money.

Cheshire East Council is governed and guided by 81 councillors, with a Conservative majority (82 with effect from the elections in May 2011). Together with talented and committed employees, our Council wants to deliver excellent services for, and with, the people of Cheshire East. This Corporate Plan sets out our ambitious plans for the next three years.

What Cheshire East is like now

Cheshire East is already a great place in a range of ways:

- Our communities are generally well-off, with most people reporting a good quality of life
- Our children tend to do well at school, with levels of achievement above the national average
- The crime rate is one of the lowest in the country
- Residents tend to enjoy better health than elsewhere in the region and nationally
- Our strong economy contributes a large amount to the North West's economic output, relative to our population size

We want to celebrate these good stories, while recognising that the Council still has much work to do. Cheshire East has a strong local economy with household income above the national average. However it is not immune from the national economic recession and unemployment has been rising. The population of working age is expected to fall over the next twenty years, so limiting the capacity to expand the labour supply.

Despite recent decreases in house prices, affordability remains a concern within Cheshire East. In terms of relative affordability, the borough is ranked the 6th least affordable district in the North West.

Cheshire East schools generally perform well; children get off to a good start with a large percentage of childcare establishments, nursery education and primary schools judged to be better than similar areas.

The population is older than the average for England. Most of these older citizens are active, engaged and make a large contribution to the community. A small but significant and growing proportion require health and social care support.

Cheshire East has a diverse rural/urban profile. The area is classed as significantly rural, with more than half the population living in rural or rural market town areas.

There are a number of people in the area who experience poorer quality of life in many respects, and they tend to be clustered within certain urban locations, many of which are in Crewe. The differences that exist between certain groups of our society presents a challenge for the Council – one that we aim to address in this Plan. The challenges are described within five themes

Health and Well Being

Cheshire East's population profile is ageing dramatically. We have a population that is slightly older in make-up than that of England and Wales as a whole

The number of people aged over 65 has increased by 20% since 1991, and a much greater increase is predicted for the coming years (a 59% increase by 2027). By contrast, the number of children in Cheshire East is decreasing, with a 4% decline predicted over the same time.

This ageing of our population will result in a smaller working population combined with an increasing population of older people, many of whom will be frail and dependent. Our social care services are rising to the challenge of redesigning services to deal with this change and through our housing service we are developing the housing options available to enable older residents to remain living independently within the home of their choice.

While overall health is good within Cheshire East, people have different experiences. Life expectancy varies from 73.4 years (for men in Alexandra Central and Valley) to 94.1 years (for women in Macclesfield Town and Tytherington). In particular, we need to improve the prevention and care of coronary heart disease, lung cancer, chronic lung conditions and alcohol-related liver cirrhosis.

Alcohol poses a significant health issue for Cheshire East, with levels of alcohol-specific hospital admissions for males, females and under-18's significantly worse than the England average. Hazardous and binge drinking rates are also significantly worse. With such a strong link existing between alcohol and liver disease, a range of cancers and anti-social behaviour, reducing alcohol consumption is a significant challenge for the next few years.

Finally, while teen conceptions in Cheshire East are the third lowest in the North West, there are parts of the area where there are particularly high rates.

With our partners and through the Children's Trust we have identified that around 10,000 children aged between 5 and 16 have some form of mental health disorder. We need to ensure that investment in this area meets actual need. If we identify this need early enough, it can prevent the need for more costly services and can also have an impact on the behaviour and aspiration of our children.

Children and young people

One of our most important responsibilities is to ensure that children in Cheshire East are protected from abuse and neglect.

It is a key challenge for us to ensure we respond well when children are referred to our services, completing assessments when appropriate and in a timely way, and providing good-quality care when needed. A challenge for us and partners is to understand the profile of the children, young people and their families that we are in contact with. A key objective for us is to develop joint locality working arrangements to ensure we can intervene early enough to make a difference to their lives and future demand on our services.

A key priority for us working with our partners is to address the rise in the number of children and young people experiencing emotional health and wellbeing issues.

Cheshire East's children generally tend to do well at school, and go on to Further/Higher Education, employment, or training. However, children who are 'cared for', tend to do significantly less well, in education and in other important areas. Another challenge is to ensure that children with special education needs, as well as children from a less advantaged background, have the opportunity to achieve at school.

The number of children coming into the care of the Council has increased over the last twelve months although over recent months that number has now begun to reduce. This plan gives a high priority to achieving our role as corporate parent. This places collective responsibility on us to achieve good parenting for all children in our care. It requires ownership and leadership at a senior level and includes all our elected members. We need to ensure that these children are healthy and safe, are able to achieve and can contribute to the community. Young people who have been in care face particular challenges when they leave. They may have missed opportunities and have little or no family support. We seek to provide the support a good parent would give on housing, education, training and employment. This can make the difference between achieving independence and requiring long-term help.

Every one of our schools runs a school council and just over 500 young people gained a Duke of Edinburgh award last year. We have a successful and well attended Youth Parliament where 12,643 voted in the UKYP, last year. There are lots of ways for our children, young people and their families to get involved, but we need to develop these methods even further to ensure that everyone feels part of the community and feel able to contribute to our plans.

Most children and young people in Cheshire East positively progress into adulthood, making the most of the opportunities available to them and achieving economic independence. We want to offer targeted information, advice and guidance (IAG) to those children and young people identified at risk of becoming vulnerable and those who are vulnerable to improve their outcomes. Offering personalised learning pathways, employment and training. To support this, we want to encourage greater awareness and activity in those numbers of apprenticeships available to target employment and training.

Economy, Transport & Housing

In order to reduce carbon emissions and levels of traffic on our roads, we will focus on localising and integrating our systems of public transport.

We will also encourage cycling and walking by developing infrastructure for these healthy and carbon-free methods of travel. With 79% of people travelling to work using their car, only 4% using public transport, and 14% walking or riding a bicycle, transport is an important area of work for the Council in the future.

The effects of the national and global economic recession have been felt strongly in Cheshire East. We have experienced a greater increase in unemployment than either the North West or the UK as a whole, with the number of claimants of Jobseeker's Allowance in Cheshire East rising by 118% between March 2009 and the same month in 2010.

Although the number of claimants has fallen from its 2009 peak, it is still more than 5,400. We need to do more to help our unemployed residents find work and safeguard the jobs of those already in employment. We also need to support key industries and service sectors in Cheshire East that show a commitment to sustainable and responsible business growth.

We will continue to work to make life experiences for people of Cheshire East the same no matter where they live. This covers aspects of life such as income, health, crime and unemployment. While we generally perform well in supporting people on this, pockets of deprivation exist mainly in the Crewe area, along with other areas including Handforth, Macclesfield and Congleton.

House prices in Cheshire East have not been affected by the economic recession as greatly as elsewhere in the North West. While they declined in 2008, this was at a lesser rate than for the region as a whole, and within the last year, house prices have begun to rise again, more quickly in Cheshire East than for the North West. With the average house costing £157,000 in Cheshire East (compared to £119,000 in the region overall), increasing the provision of affordable housing and making the best use of our existing housing stock is therefore a key issue for the Council.

The Localism Bill proposes a number of changes that will affect Cheshire East: proposals to reform social housing by introducing a more flexible local authority affordable rent tenancy, reforming the social housing allocation system a National Homeswap Scheme to encourage social tenant mobility and enabling local authorities to discharge homelessness duty into the private rented sector. The proposals set out a fundamental reform of social housing in England.

Environment and Climate Change

The relationship between climate change and carbon emissions (from electricity production, the use of gas and vehicle use) is now widely accepted, and the people of Cheshire East are concerned about this issue. Collectively we do not perform well in this area – the average person's domestic emissions of carbon dioxide being 2.8 tonnes per year, higher than both the North West and the UK.

There is a lot of work to be done in improving energy efficiency, encouraging the use of renewable sources of power, promoting smallscale electricity generation within local communities, and improving non-car transport options. This will not only assist us to reduce our carbon footprint, but also to improve our resilience for a lower-energy future in which less carbon-based fuels are available for power production.

In addition to working with residents and businesses to reduce carbon emissions, we have developed a carbon management plan in association with the Carbon Trust. This plan puts in place a 5 year strategy to reduce our carbon emissions by 25% by 2016.

Cheshire East residents are excellent at recycling domestic waste with rates of recycling as high as 50% with recent trends indicating residents continue to recycle more. There is a limit, however, to how much of our waste can be recycled, and the challenge for the future relates to reducing the amount of waste produced overall, for example by using less packaging and reducing food waste.

Another important environmental challenge is the ability for residents to produce their own food locally. Cheshire East is currently struggling to meet the demand for allotments, with substantial numbers of people on waiting lists. Providing people with space to grow their own food, and the development of local markets in the area will both be important as we rely less on internationally-traded, out-of-season-food.

Safer Communities

Our communities are relatively safe places to live, with significantly lower rates of crime than in the North-West or England and Wales.

While a relatively low proportion of people in Cheshire East perceive anti-social behaviour to be a problem, the main issue identified in this area relates to teenagers hanging around on the streets. Our young people have expressed their concerns over a lack of facilities, with 67% of respondents to the Young People's Leisure Survey 2008/09 stating that they do not feel there is enough for them to do where they live. Providing activities and informing young people of what is available is a key area of work for the Council.

Road safety is also an important issue. There were just over 1,800 people involved in road traffic accidents on our roads in 2009/10, which is more than in previous years. However, since 2008 the number of adults killed or seriously injured has steadily fallen. There is much to be done in improving the safety of our roads in a range of ways.

Recently reduced government funding in road safety has necessitated a radical rethink on road safety spending across the partnership areas. The Council and partners are therefore exploring new ways of working to determine a way forward for the future. Road safety remains a priority for all the partners and speed enforcement including the use of speed cameras, will still be part of our work.

Crime and nuisance against older and disabled citizens is a small but significant issue and one that the Council and its partners take seriously and for which a co-ordinated strategy is emerging.

Working with our Partners

Partners work together through the PACE (Partnerships for Action in Cheshire East) Local Strategic Partnership which aims to improve quality of life for residents, to support business and to enhance Cheshire East as a visitor destination.

Working in partnership enables more effective use of public money through a shared understanding of the needs and issues in Cheshire East and co-ordinated provision of services. This joint approach has never been more important than in the current economic climate where public funds are reducing but expectations on services rightly remain high.

The aims and ambitions of our Corporate Plan cannot become a reality without the support of our partners. They play a vital part in shaping, developing and, in many cases, helping us to deliver first-class local services. This partnership sets the vision and priorities for the area, ensuring that different initiatives and services support each other and work together across Cheshire East.

Major changes to the partnership landscape are being developed, namely the establishment of a Local Enterprise Partnership (LEP) for Cheshire and Warrington and the creation of a new statutory Health & Well Being Board for Cheshire East. The Council will work with its partners to ensure these new Partnerships are effective and fully supported. We will also need to assess how these new developments will impact on the PACE arrangements in place in Cheshire East and make any changes necessary.

There are also seven Local Area Partnerships (LAPs) covering the areas of Congleton, Crewe, Knutsford, Macclesfield, Nantwich, Poynton and Wilmslow. Their role is to improve services, ensure local people influence decision-making and to actively engage and empower communities. LAPs bring together a wider range of people from the statutory, voluntary and community sectors. By working together at a local level, they focus collective action on what really matters, delivering improved outcomes for local people and places.

During 2010 PACE developed the first Sustainable Community Strategy for Cheshire East, "Ambition for All", which sets out a clear vision for the next 15 years which is:

"Cheshire East is a prosperous place where all people can achieve their potential, regardless of where they live. We have beautiful productive countryside, unique towns with individual character and a wealth of history and culture. The people of Cheshire East live active and healthy lives and get involved in making their communities safe and sustainable places to live"

All partners have a collective responsibility to deliver Ambition for All to overcome many of the challenges described earlier in this document. Ambition for All identifies seven priorities for immediate action which will enable us to achieve our vision. These are:

- Nurture strong communities
- Create conditions for business growth
- Unlock the potential of our towns
- Support our children and young people
- Ensure a sustainable future

- Prepare for an increasingly older population
- Drive out the causes of poor health

By bringing a range of public, private and voluntary partners together to plan programmes and services, prioritise needs and manage delivery, we are ensuring that important connections are made and services are properly integrated. We are also ensuring that we minimise duplication and are able to put our collective resources to best use.

Some key examples of what partnership working means in practice can be seen in the next section, where we discuss our performance.

How we are performing

It is important that we have a realistic view of how council services are being delivered; for instance what are doing well and want to continue to do well, and where we are not fully addressing particular challenges and need to do further work.

We are committed to ensuring that the Council does its job well, and responds to local people and the evidence we collect about the performance of our services. We are also committed to our performance plans and the current state of our performance being transparent and open to the public and other interested parties.

As a council, we are committed to improving and have gathered our own evidence so that we can look at our performance since April 2009 and make any necessary changes for improvement. From this we will know what is going well and what we need to improve. Some key examples are shown in the next section.

What's going well?

The following are just a few examples of our recent achievements:

- During our first year, we have made £25 million of savings that have been reinvested in priority areas across the Council, such as children's services.
- Improving parks and green spaces – the refurbishment of Queen's Park in Crewe is progressing well, with new bridges installed, a bandstand restored and lake works completed. This £6.5 million project is now set to transform the park, with a £2.78 million contribution from the Heritage Lottery Fund.
- Within their annual performance ratings, Ofsted have rated Cheshire East's Children's Services as performing well
- Improving schools – the majority of settings and institutions inspected by Ofsted are judged as good or better.
- Children's Homes – Inspection judgements were 'good' and one was judged as good with outstanding features. These two homes replaced facilities previously judged as 'inadequate'
- Adoption Services - The overall judgement was good with outstanding features.
- Reviewed membership and governance of Children's Trust arrangements to improve involvement and contribution of key agencies
- Successfully conducted a pilot of a scheme to provide 10 hours of free childcare per week to most disadvantaged two-year-olds.
- Supporting independence – our Services for Adults are using a new model for supporting people, in particular those who are elderly, to live independently in their homes, and providing support for carers. A new approach is being made to providing equipment, information, advice and support, including providing people with personal choice of the services they want.
- Reducing offending – the Safer Cheshire East Partnership has set up the Priority and other Prolific Offender (PPO) team, resulting in a massive reduction in offending rates. The team involves a number of partner agencies, reducing duplication and improving risk management.
- Tackling domestic abuse – the Cheshire Domestic Abuse Partnership has implemented a best-practice model to tackle domestic abuse, termed the Coordinated Community Response. This provides support for survivors increased

accountability for perpetrators and voluntary change programmes. Again, many partner organisations are involved.

- Transformation of Building Control Services – electronically-based systems now allow the customer to view drawings and submit applications online, as well as providing big efficiencies in departmental working.
- Ambitious plans for Crewe and Macclesfield have been agreed which will lead to strong business growth and major town centre development.
- The Sustainable Towns Framework is actively working on projects across our market towns which include renewable energy initiatives, clean up campaigns and public realm improvements.
- Cheshire and Warrington Local Economic Partnership established - one of the first in the Country.
- Supporting businesses and local people through the recession – we have supported town centres through dressing empty shop windows with vibrant displays; increased the take-up of benefits available from Government by £1.2m; and supported businesses through clinics and seminars on local procurement.
- Providing choice in housing – we have launched Cheshire Homechoice, a new choice-based lettings system that allows new and existing customers to apply for housing vacancies which are advertised widely across Cheshire East. This is a new way of allocating housing, avoiding the traditional waiting list approach.
- Improving community safety – our team of Community Wardens has achieved the Community Safety Accredited Person's Certificate from Cheshire Constabulary. This means that they are now accredited with a range of new powers to tackle crime and anti-social behaviour.
- The standards for social care in Cheshire East as measured by the Care Quality Commission, are among the highest in England
- The Council is the third best council in England for delivering personal budgets

Some key areas we need to improve on

- We need to improve our planning service to make it more efficient and customer-friendly. We are radically changing how we do business in this key area to ensure value for money and simplify our systems.
- We are working hard to harmonise the way in which we collect and manage household waste across Cheshire East to move away from three approaches inherited from the previous Councils into a simplified, cost-effective service.
- We will place more emphasis on the assessment of carers and provision of information, advice and support where this will help them to maintain their support for their loved one and achieve a good quality of life for themselves.
- We will place more emphasis on linking people with social care needs and their carers to resources and opportunities in their local communities, to support their ability to access the same resources and facilities as others.
- Making the best use of our existing housing stock, by bringing empty homes back into use
- Improving our ability to respond earlier to the identified needs of vulnerable children, young people and their families.
- Address the health and wellbeing needs of our children and young people
- Improve outcomes for children cared for by the Local Authority.
- Continue to strengthen our arrangements for safeguarding children.
- Offer youth support targeted at our most vulnerable groups
- We will revise programmes to tackle the rising 16-18 NEET population. This is particularly important with our most vulnerable young people who require new approaches and initiatives using a wider range of providers.

Listening to you

As we have said, fundamental to setting our priorities and improving our services is listening to you, acting on what you say, and regularly checking your feedback about outcomes.

We will work hard to improve our methods of communicating and consulting with local people and our partners. We are keen to ensure that everyone who lives or works in our community has a voice and is able to make their thoughts, aspirations and concerns heard.

Examples of key projects recently undertaken as a result of what the people of Cheshire East have told us include:

Housing Needs Survey

The former Councils within Cheshire East conducted a number of Housing Needs Surveys designed to understand the issues/concerns. These surveys received more than 7,500 responses and highlighted the need for affordable housing in many locations. The household survey identified that 9.4% of black & minority ethnic households were in some form of housing need which compares with 6% for Cheshire East. Affordability and the condition of the property were most likely to be cited as reasons for housing need.

The results from the survey are currently being used to help inform the Housing Strategy and future local area plans.

Quality of Life Survey

During the autumn of 2010 thousands of households across the Cheshire East area received a questionnaire asking for their views on what it is like to live in the local area. The survey asked residents for opinions about aspects of quality of life in their local area, including housing, health, local services and community safety. As this is the first Quality of Life Survey undertaken it will be important in planning future services. We also used the information to understand which services are most important to residents to help us decide how we can reduce our budget in light of cuts in funding from central government.

Issues and Options Consultation

The Council recently completed consultation on the Local Development Framework Issues and Options for the Core Strategy. The consultation included eight workshops with stakeholders such as Parish & Town Councils, the Cheshire East Citizens Panel, environmental groups, the business community, infrastructure providers, social housing providers and house builders.

The response to the consultation includes in excess of 1,000 comments, from around 500 people/organisations. This information will be used to inform the next stage of consultation which will involve work taking place with local communities to consider their future needs and the options for future development.

We do know that as a relatively new organisation, the task of consulting, listening, responding and checking is work in progress. We are committed to getting this right and the Local Area Partnerships that have been set up are vital in helping us with this task at a local level.

Transforming our Services

Key to driving the improvement of our services and doing more with less will be our transformational approach to service delivery. Our Corporate Plan discusses how we will provide better value for money, focus on core services, and work well with partners. It also explores how we will ensure services are more responsive to individual and local needs, eradicate waste and inefficiency, and ultimately improve overall performance. We recognise the need to radically review our approach, in partnership with other organisations, to achieve these things.

Our plans as to how we can achieve this are laid out in our corporate Transformation Programme. Traditional approaches no longer meet user needs effectively, and demand for services is changing and rising rapidly which means significant financial challenges. It is clear to the Council that in rethinking our approach in these areas, much more can be done to achieve our priorities, often for less cost.

The current programme includes a major redesign of services for children, adults, health and wellbeing and transport, and a huge amount has been achieved so far. For example, in Adult Services we have achieved significant savings by eliminating duplicated efforts, and providing integrated services with health partners. We have already invested and made improvements in safeguarding, preventative and reablement services – keeping people safe, independent and well for as long as possible.

The Transformation Programme is dynamic and is reviewed regularly, taking into account our performance, local needs and views, budget constraints and national guidance. It plays a key role in helping to shape and deliver the objectives within this Corporate Plan and individual service plans, working within the Council's emerging financial scenario. For the future, we will focus on improving services at a local level and examining which services might be better delivered by other agencies and partners.

What we want for the future

We want to make Cheshire East a place that people choose to live in, work in and visit. We want it to be a place that people say good things about, which has a great range of things to do, is a great place to live, a place where people feel happy and successful with fantastic open spaces and that is run by an excellent council.

We are committed to making this happen and are carefully planning our priorities to make sure it does and have set ourselves rightly ambitious corporate objectives. These objectives will be the basis upon which departmental and service plans are written and will form a fundamental part of every day life for all staff working within the Council. We will make sure that everything that we do as a council contributes towards making Cheshire East 'the' place.

A summary of the objectives is set out in the following pages, the full objectives can be found in Appendix 1.

Corporate objective one:

To give the people of Cheshire East more choice and control around services and resources

We want all people in Cheshire East to have more choices and access locally to good information. We will develop new ways of working, be honest about what the Council can offer and help people when they want that help. We will draw upon people's experiences and ideas and help them to play a much bigger part in informing plans for future services. **We will use technology to support us wherever possible such as in the development of the 'Empower' card that gives people control over their personal social care budget.**

Corporate objective two:

To grow and develop a sustainable Cheshire East

We want to ensure that we provide the right environment for businesses to grow. We will provide business support, plan for the needs of future generations and provide employment and public services where people need them. We will work with our partners across the public sector to increase aspirations and realise the potential of all members of our community. We will provide transport solutions, support cultural projects and revitalise town centres. We will increase the number of visitors to Cheshire East through marketing our towns and major attractions.

Corporate objective three:

To improve life opportunities and health for everybody in Cheshire East

The opportunities offered by the integration of public health within the Council will enhance the Council's ability to improve the health of our residents. We will work with partners to ensure that the integration is effectively handles.

We will develop plans for the new lifestyle centres to bring together leisure, health and social care functions to provide a better service to our customers, more cost effectively and efficiently.

Corporate objective four:

To enhance the Cheshire East environment

We will provide clean and well-maintained streets, public spaces and protect our heritage, natural and recreational environment for the benefit of local communities. We will tackle the need for carbon reduction and deliver a sustainable solution to

waste across Cheshire East. We will continue to maintain and improve conditions for all road users, and in particular, focus on reducing the number of road traffic accidents.

Corporate objective five:

To be an excellent council and work with others – to deliver for Cheshire East

We will focus on core services that best meet the needs and aspirations of local people and communities. We will work to ensure that services and priorities are properly resourced and successfully managed within budget. As part of this, we will ensure that the overall increase in Council Tax does not exceed inflation and is below inflation where possible each year. We will work to deliver services fit for the 21st century.

Delivering the objectives will be a challenge but one we will rise to and achieve. We will be constantly looking at our performance and ensuring that we are always working towards our objectives and making changes and improvements to make them a reality. We know that we will have to make difficult decisions, but we will make them and be very clear about why we have made them and how they will contribute to our objectives. We will publish our service plans so that you can see in greater detail the daily work that we will be doing to move this forward, how this work contributes to our objectives and what difference we are making

How we will resource our priorities revenue budget 2010-2013

TO BE REVISED FOLLOWING BUDGET SETTING

Cheshire East Council spends over £700m a year on delivering services to local people. Approximately one quarter of this is funded through Council Tax, with the majority of funding coming from Central Government Grants. Since Local Government Reorganisation the Council has driven down the cost of Supporting Services putting greater emphasis on frontline spending. Recent published data showed that spending on Central Services at Cheshire East was in fact half that of the unitary authority average.

The Council operates a rolling three year Business Planning Process, which enables the Council to develop longer term plans which anticipate and respond to changes in funding levels and new demands. Figure 1 (right), shows where the Council allocates resources from all sources.

Current estimates predict that gross expenditure (excluding schools) will rise by only 2.5% (£12.7m) over the medium term up to 2013. Due to the level of savings being achieved this is actually less than estimated inflation for the same period. During the period, funding levels from government are also expected to decrease. This makes it increasingly important that the Council allocates its own resources to priority spending areas.

Although spending will increase overall the most positive impact will be realised in caring for children, caring for adults, on the road network and in housing. This will be funded through high levels of efficiency, particularly in Support Services, which allows the Council to divert resources towards key service priorities. Figure 2 (right) demonstrates the changes in local funding that the Council will make by 2012/2013. This reflects the impact of policy options to recognise and protect priority areas.

In social care provision there is a successful transformation programme underway to reduce costs and make the service sustainable. This explains the reduction in discretionary spending in that service.

DIAGRAMMATIC REPRESENTATION

Organising to deliver

Council Leadership and Cabinet

Cheshire East Council has appointed a Leader and a Cabinet to make strategic decisions for the organisation. Cabinet meets once a month, and their meetings are open to the public, with time being made available for members of the public to speak.

Each Cabinet member has their own area of responsibility, and act as champions for key issues. They work closely with managers to ensure we perform well as a council.

In addition to the Leader of the Council, Cabinet is made up of members with the following portfolio responsibilities:

- Safer and Stronger Communities•
- Health and Well-being
- Environmental Services
- Performance and Capacity
- Procurement, Assets and Shared Services
- Adult Services
- Children and Family Services
- Prosperity

Overview and Scrutiny Committees

We recognise how important it is that the administration of your services is challenged and suggestions made for their improvement. Our five Overview and Scrutiny Committees involve 58 council members and ensure that the Council is being run efficiently and effectively. Again, you are more than welcome to attend these meetings. The five committees are:

- Children and Families
- Environment and Prosperity
- Sustainable Communities
- Corporate
- Health and Adult Social Care.

Elected members

Cheshire East's 27 wards are represented by councillors (52 wards and 82 councillors as of May, 2011). The role of these elected members is to reflect the views, and pursue the interests, of the communities that they represent.

The full council meets six times per year, and is responsible for setting the overall policy directions and the budget. A range of committees look at issues including planning, licensing and school organisation.

Through these various council meetings, we make sure that the concerns and suggestions that councillors bring from their communities are properly considered and acted upon. These are public meetings and details are published on our website and anyone is welcome to attend. We also make sure that our councillors are properly supported in their work with their communities, providing tools and expertise to make a real difference to their area.

The full council appoints committees to deal with statutory decisions on planning, licensing and regulatory matters. There is also a Standards Committee which ensures the probity of our operations.

Managing the Council

Our Corporate Management Team is led by the Council's Chief Executive, and includes:

- Strategic Director, Places
- Director, Adults, Community, Health & Well Being
- Director, Children and Families
- Head of Human Resources and Organisational Development
- Head of Policy and Performance
- Head of Corporate Improvement
- Borough Treasurer and Head of Assets
- Borough Solicitor (Monitoring Officer)

This Team is responsible for ensuring that our corporate objectives are met and that the right priorities are set to make this happen. They listen to the feedback from partners, local people and communities, set the priorities and then allocate the tasks to colleagues across the Council. They work closely with Cabinet and provide information and advice where needed.

Managing our performance and risks

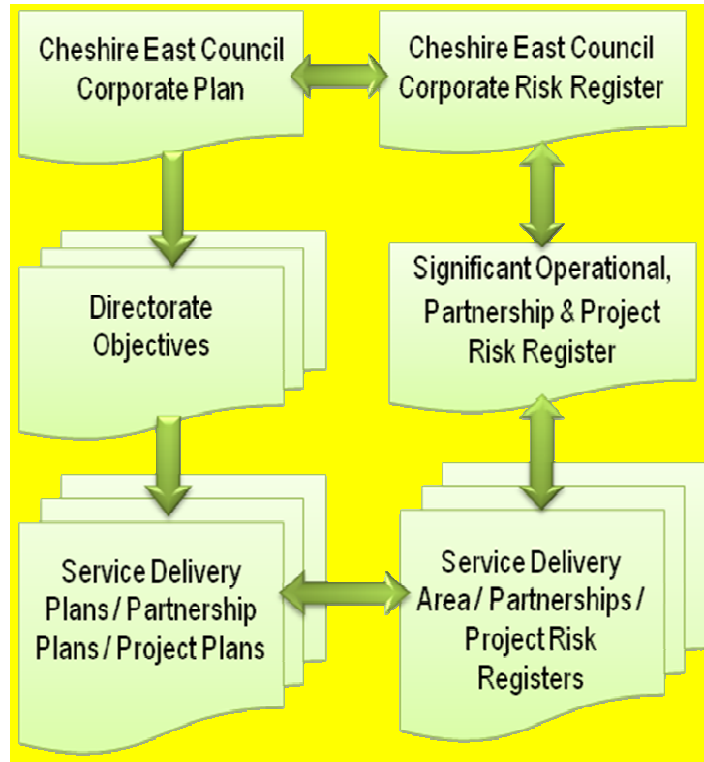
In order to deliver the improvements that we detail in this plan, we have robust performance monitoring and management arrangements in place. These involve the regular review of the Council's key priorities and projects, along with the setting of clear targets and actions for staff. This gives the strong evidence to demonstrate our improvements and to highlight areas that require attention.

In managing our risks, through using an effective risk management framework, we aim to add value by improving decision-making, planning and prioritisation. This contributes to a more efficient use of resources and optimises our performance and delivery.

Good management of our performance will involve setting clear objectives, developing robust service plans, reporting progress to Corporate Management Team and Cabinet and reviewing and updating our plans according to developments.

A risk is concerned with a threat or a possible future event which will adversely or beneficially affect our ability to achieve our objectives. By managing risks objectives are more likely to be achieved, damaging actions or events are avoided or minimised and opportunities maximised. We aim to ensure that the level of control activity is proportionate with the risk the Council faces and we will continue to review this as our internal and external environment changes.

The actions necessary to manage and mitigate our key strategic risks are embedded in the programme of activity set out in our delivery plans. By integrating risk management with the Council's strategic planning process we are able to monitor risks in achieving our objectives, determine which risks have the most significant impacts and prioritise resources accordingly. Identification of risks is both from a top-down strategic risk approach with the bottom up operational risks meeting in the middle.



Good management of our performance will involve setting clear objectives, developing robust service plans, reporting progress to Corporate Management Team and Cabinet and reviewing and updating our plans according to developments.

Working for Cheshire East

We want the Council to be at the heart of the community, a great place to work and an employer of choice. We want to continually raise our game and improve performance and efficiency to ensure the delivery of excellent services to the people in the community. To do this we need great people. We want high performing, customer focused, skilled, flexible and motivated employees who are proud to deliver excellent services.

As a service provider we embrace the philosophy “treat employees as you want your customers to be treated”, recognising the importance of engaging both staff and customers. We believe that the employee experience matters. To support this, a strategic three year workforce development plan “fit for the future” has been developed. This focuses on five key workforce priorities which directly support our corporate objectives and plan:

1. Developing the organization – effectively building workforce support for new structures and new ways of working to deliver customer focused and efficient services in partnership.

2. Developing leadership capability – building visionary and engaging leadership which makes the best use of both the political and managerial role, operating in a partnership context.

3. Developing workforce skills and capacity – with partners, developing employee's skills and knowledge in an innovative, high performance, multi-agency context.

4. Resourcing local government – with partners, taking action to address key future occupational skill shortages, promote jobs and careers, identify, develop and motivate talent and address diversity issues.

5. Pay and rewards – modernising pay systems to reflect new structures, new priorities and new ways of working and to reinforce high performance.

To measure our progress towards achieving these five priorities and ensure we build a culture of continuous learning and performance improvement, we are working towards retaining Investors in People which provides a best practice standard in people management and development.

Our values – ASPIRE

Our core values reflect our aspirations for both our culture and our standards for serving the people of Cheshire East and we strive to demonstrate these values in all that we do:

Action - take responsibility for making the right things happen

Support - work and learn together in order to succeed

People - put customer and community needs at the heart of what we do

Integrity - be open, honest and fair, expecting the same of others

Recognition - value all views, efforts and achievements

Excellence - strive to improve all that we do

Equality and inclusion

Cheshire East is committed to providing high-quality, customer focused services for all people living in, working in or visiting the area. Promoting fairness and providing equality and inclusion is one of our important values, and relates to:

- Accessing the Council's services
- Accessing employment opportunities with the Council, or with its contractors who supply goods or services to the Council
- Accessing voluntary work supported by the Council
- Developing policies and plans that impact upon communities and individuals.

We are determined to develop further our equality and inclusion agenda to provide quality customer services, meet our statutory responsibilities, and as part of the achievement of our corporate aims and objectives. Our aim is to deliver inclusion for all

**Cheshire East Council
Corporate Plan 2010 – 2013**

Appendix 1

Corporate Objective One

To give the people of Cheshire East more choice and control about services and resources

What do we want to achieve?

We will have a good understanding of the communities that make up Cheshire East and have mechanisms in place to enable us to listen to their views

We want all people in the borough to have more choices about the help they receive and greater control over the resources which are available to help them. To achieve this, we want to ensure that people have access locally to good information, advice and guidance about our services and those of others.

We want to be clear about the services local people and communities want from the Council and its partners. This will enable the Council to focus on core services that best meet the needs and aspirations of local people and communities, along with whether those services can be best delivered directly or in partnership with other organisations including Town & Parish Councils. In this way, we will see the number and scope of services being delivered by partners increase.

What will we do to achieve our ambition?

- Analyse the results of Community Survey to provide information about perceptions of local population
- Set up and deliver liaison processes through LAPs on roadworks
- Undertake equality impact assessments of services
- Provide effective support to carers in their carer role to ensure they have a life outside being a carer
- Develop a range of commissioning strategies to deliver best value services for the people of Cheshire East
- Redesign of children's services to ensure needs in families and carers are identified early
- Target support to families and carers and improve the capacity of parents to care for their children
- Work with partners to deliver services at as local a level as possible
- Build on our success in offering personal budgets by making greater use of our prepayment card – the Empower Card – to give people more choice and control

How will we know if we have been successful?

- A steadily increasing number of people will be getting direct cash payments and making their own decisions about how to use the money to improve their lives
- The monitoring of our Access Points will show that an increased number of people are getting the information, advice and guidance which they need
- Informal carers will routinely and consistently be offered a separate assessment of their needs and that information will be used in the commissioning of services
- As an employer, the Council will have recruited a greater number of disabled people into its workforce
- Where local people want to take on the running of services and facilities, those services and facilities will have been passed into their hands.
- The provision of services will match need

As a result of this work, we want people to say:

“There is easier access to a wider range of services which meet my needs and circumstances and deliver the outcomes I require”

Corporate Objective Two

To grow and develop a sustainable Cheshire East

What do we want to achieve?

We want *to foster economic growth and regeneration* through providing the right environment for businesses to grow, We need to plan for the needs of future generations and provide employment, housing and public services where people need them.

We want to celebrate the distinctiveness of all our towns and villages and *provide attractive and sustainable environments* for all.

People want to feel *safe* where they live and we will work with our partners towards realising the potential of all our communities and ensuring they have *sustainable* futures.

We need to lead on the development of major strategic *infrastructure* to support the aspirations of the Sustainable Community Strategy and ensure we have strong transport and digital links across the borough

What will we do to achieve our ambition?

- Deliver a new Local Development Framework, Local Transport Plan, Economic Development Strategy, Housing Strategy and Visitor Economy Framework
- Contribute to the revitalisation of the communities of Cheshire East through investment in cultural & leisure sites, facilities and activities
- Work towards ensuring there is a sufficient, decent, accessible and appropriate supply of housing by maximising provision of affordable housing, making best use of existing stock and ensuring there is a mix of provision to meet the needs of a changing population
- Work with partners to reduce the incidence of crime and fear of crime, particularly by reducing Anti Social Behaviour by implementing a set of minimum standards and taking a pro-active stance to complaints of nuisance
- Deliver the schemes contained within the Highways Capital programme and work with others to bring about new infrastructure projects such as Crewe Green Link Road, Poynton By-pass and the Middlewich Eastern by-pass

How will we know if we have been successful?

- Our Local Development Framework and Local Transport Plan will reflect the priorities of the Sustainable Community Strategy and the needs of businesses and residents
- The economy of Cheshire East will continue to grow above the rate of growth across the North West
- Our market towns will thrive and prosper, supported by strong local partnership arrangements
- The Council will increase performance in key service areas whilst reducing costs such as development management and highways and transport
- The number of affordable homes available across the area will exceed current targets. The level of long term empty homes will decrease and provide an additional supply of housing in the Borough
- The value of the visitor economy to Cheshire East will exceed £700m per year
- The levels of young people who are positively engaged in education, employment and training is high and they report positively on the opportunities and experience
- People will report that they feel safer

As a result of this work, we want people to say:

“Cheshire East is a great place to live, where we can make real choices around housing, jobs and where to enjoy our leisure time, whilst feeling safe in our communities”

Corporate Objective Three

To improve life opportunities and health for everybody in Cheshire East

What do we want to achieve?

We want people in Cheshire East to make more *healthy lifestyle* choices and ensure they have the support and information to enable them to do so.

We want to see higher aspirations on the part of children, young people and their families about what they can achieve in their lives.

We want to see some *narrowing of the gap* which currently exists in both opportunities and health between those who are most successful in Cheshire East and those who are most challenged in their lives

As the older population in Cheshire East continues to grow, we need to ensure services are provided appropriately so that people can enjoy full and active lives for as long as possible, retaining their independence in a home of their choice.

What will we do to achieve our ambition?

- Seek to increase the numbers participating in health and well-being activities, particularly those from priority communities and will offer a comprehensive Lifestyle programme across Cheshire East targeting those who need it most
- Establish a corporate approach to health improvement and reducing health inequalities with a particular focus on alcohol harm reduction
- Seek to raise standards and narrow the gaps in learning outcomes and ensure that young people develop the appropriate skills to enable them to enter adulthood and the world of work
- Develop and implement a Health & Well Being Strategy specifically for children and young people
- Develop strategies that address the demands of the ageing population such as the Dementia Strategy and the Ageing Well Strategy
- Develop a housing strategy to ensure that residents have the ability to access decent and appropriate housing by reducing the level of non decent homes across the authority, continuing to invest in Disabled Facilities Grant to aid independent living and provide specialist housing solutions to enable those with support needs to sustain their homes
- Work with partners to ensure effective integration of public health functions into the Council

How will we know if we have been successful?

- We will have seen, within the whole clientele of those using leisure and cultural services, a shift in the balance between the general public and those specifically referred, either by themselves or by others in order to address particular health and well-being challenges. In particular people will use Personal Budgets to access these services
- The implementation of a whole system plan for reducing the harm caused by alcohol abuse will have helped more people to reduce their drinking to safe levels and will have consequently reduced the calls upon the NHS and other services which arise from alcohol harm
- Schools which are not doing well or which are just coasting will have improved their performance, so that all become either good or outstanding
- A greater proportion of our school leavers are engaged in work, training or further education of some sort
- A significant reduction has been made in the most extreme of the health inequalities, and, in particular, for older people more of their remaining years are healthy years
- Progress will have been made in putting in place a comprehensive pattern of specialist provision for people with dementia and their carers
- The Children Trust will have shifted the whole system for children and families, so that interventions are made much earlier, when problems become apparent.

- Children who are cared for by the Council will achieve far better at school, and a much greater proportion of them will progress from school into worthwhile, paid employment.

As a result of this work, we want people to say:

“I feel happier, healthier and more successful than before”

Corporate Objective Four

To enhance the Cheshire East environment

What do we want to achieve?

We believe in taking a responsible approach to enhancing and nurturing our environment. We will provide clean and well maintained streets, public spaces and protect our heritage, natural and recreational environment for the benefit of local communities.

We will seek to ensure our services are good value for money for the residents and council tax payers of the borough and are both efficient and effective.

We will continue to develop an approach for sustainable waste management and will seek opportunities to improve existing practices.

The built environment is important to local people and communities and we will seek improvements whenever possible.

We will tackle the effects of climate change through a comprehensive approach to managing our carbon emissions and by implementing an adaptation strategy.

.

What will we do to achieve our ambition?

- Develop and implement a Waste Management Strategy for Cheshire East and optimise and implement revised waste collection rounds
- Deliver an effective streetworks service and management of the highway asset which will include making our roads safer
- Centralise waste and recycling operations as part of our Rationalisation Project
- Deliver the Total Transport transformation programme
- Procure a garden waste contract for Cheshire East and a dry recyclables processing contract
- Investigate the potential of implementing a kerbside food waste collection service
- Achieve improved standards of green space design, management and maintenance
- Seek to improve the public realm and promote environmental sustainability wherever possible.
- Tackle fuel poverty through improved information and advice to enable our residents to improve the energy efficiency of their homes

How will we know if we have been successful?

- Customer satisfaction in key areas such as street cleansing and waste management will have increased and the services will be operating more efficiently
- Highway condition will be maintained on main routes despite recent winter damage and expected reduced investment from Government
- Casualties from road accidents will continue to fall in areas where targeted support has been provided
- Carbon emissions from the Council will have reduced and the Council will be respected as a leading example across the Borough on carbon management and climate change adaptations
- The residents of Cheshire East will feel safer in their local communities.
- Improvement in SAP rating within domestic properties across the authority

As a result of this work, we want people to say:

"We have a fantastic environment across Cheshire East. Public spaces and recreational areas are well maintained and our heritage and natural environment is protected and nurtured by the Council"

Corporate Objective Five

Being an excellent Council and working with others – to deliver for Cheshire East

What do we want to achieve?

We want our customers to find it easy to access our services and be satisfied with the timeliness of our response. Sufficient information should be provided in a variety of mediums to ensure people can find out what they need to know.

Key to what we can achieve will be the challenging financial situation. We will therefore carefully and strategically plan so that our services and priorities are properly resourced and successfully managed within budget and deliver value for money.

So that we can deliver services fit for the 21st Century, we will develop a multi-skilled workforce, which is flexible, competent and capable and is supported by effective processes

We recognise that many other organisations are key to the future success of Cheshire East and we will work with them to develop approaches to service delivery and joint working arrangements

What will we do to achieve our ambition?

- Shift the profile of customer contact to access channels that are more convenient to the customer and more cost effective for the Council
- Develop more responsive customer services through the use and analysis of customer insight data
- Seek opportunities to share service access points with other partners
- Develop an Asset Management Plan
- Identify efficiencies across services and ensure resources are aligned to priorities
- Develop an excellent workforce by developing the skills for improvement
- Implement a Monitoring & Performance System for the Council
- Develop an ICT Strategy and establish a fully functioning shared service
- Continue to develop Partnerships for Action in Cheshire East (PACE), particularly through the Local Area Partnerships and the implementation of area plans

How will we know if we have been successful?

- Our local people and communities will say that the Council provides excellent services and uses its resources well in doing so
- Council Tax rises will be at or below inflation
- The people of Cheshire East will provide positive feedback about the Council and its performance
- We will deliver value for money services within budget each year
- Employee satisfaction and engagement levels will increase each time we hold an employee survey
- We will have increased the number and scope of council services delivered with or by our partners /local communities each year.

As a result of this work, we want people to say:

“The Council is very well managed and uses its resources effectively in supporting the key changes and improvements we want to see in Cheshire East”

COUNCIL MEETING – 24TH FEBRUARY 2011**Extract from the Minutes of the Cabinet Meeting on 17th January 2011****116 KEY DECISION 10/11-57 LOCAL TRANSPORT PLAN STRATEGY AND DRAFT IMPLEMENTATION PLAN**

Consideration was given to the proposed changes for incorporation into the final Local Transport Plan Strategy, and to the Draft Implementation Plan for consultation; following a four week period of stakeholder consultation the report would be submitted to full Council for final approval.

The transport priorities reflected the wider priorities of the area contained in such plans as the Sustainable Community Strategy, the Corporate Plan, the Local Development Framework and the Economic Development Strategy. Future investment in highways and transport would be directed to support the priority themes to ensure a sustainable future, and create conditions for business growth.

RESOLVED

- 1 That the proposed changes for incorporation into the final Local Transport Plan Strategy, as detailed in Appendix 2 of the report be agreed.

This page is intentionally left blank

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting: Monday 17th January 2011
Report of: Strategic Director, Places
Subject/Title: Local Transport Plan – Strategy & Draft Implementation Plan
Portfolio Holder: Cllr Jamie Macrae & Cllr Rod Menlove

1.0 Report Summary

- 1.1 This paper outlines the outcomes of the Local Transport Plan (LTP) strategy consultation and recommended changes to the final LTP, as well as the draft implementation plan, which will be aligned with the Government's four year spending review period (April 2011 to March 2015).
- 1.2 The draft implementation plan contains details of the schemes which will be delivered in order to meet the objectives and priorities for transport set out in the 15 year LTP strategy. Following Cabinet approval there will be a 4 week period of stakeholder consultation on the draft implementation plan.

2.0 Decision Requested

- 2.1 Agree the proposed changes for incorporation into the final LTP strategy (see Appendix 2).
- 2.2 Approve the draft LTP implementation plan to be released for stakeholder consultation on the 18th January (see Appendix 1).

3.0 Reasons for Recommendations

- 3.1 The transport priorities reflect wider aspirations for the area contained within the SCS and Corporate Plan, as well as emerging corporate objectives within the Local Development Framework (LDF), Economic Development Strategy and Climate Change Strategy.
- 3.2 Future investment in highways and transport will be directed towards the policies and interventions which support the priority themes of "Ensure a Sustainable Future" and "Create Conditions for Business Growth".

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

5.1 All

6.0 Policy Implications including - Climate change - Health

6.1 The LTP is a statutory document that must be prepared by the Council by April 2011. It will be supported by a combined Strategic Environmental Assessment (SEA), a Health Impact Assessment (HIA), and an Equalities Impact Assessment (EIA). The LTP supports wider climate change objectives in terms of mitigation and adaptation.

7.0 Financial Implications (Authorised by the Borough Treasurer)

7.1 Traditionally LTP funding has been linked to the quality and delivery of the plan. However, in future the funding settlement will not be linked to performance and will be significantly reduced.

7.2 Paragraphs 10.20–10.24 describe the 2011/12 LTP Capital Programme. However, ultimately the final Programme will be dependent upon determination of the Council's Capital and Revenue Budgets and medium term business plans in February 2011.

8.0 Legal Implications (Authorised by the Borough Solicitor)

8.1 Under the Transport Act 2000 as amended by the Local Transport Act 2008, the LTP is a statutory document that must be prepared by all local transport authorities in England. Cheshire East Council is a local transport authority. LTPs must contain policies for the promotion and encouragement of safe, integrated, efficient and economic transport to, from and within their area, and proposals for implementation of those policies. The legislation also sets out provisions for taking into account Government guidance on environment and climate change, and for making the final plan available for inspection by the public.

9.0 Risk Management

9.1 The initial five week public consultation period on the strategy was extended by one week and a simplified alternative on-line survey form created to compensate for minor technical issues with the interactive consultation portal in the first week of consultation period. 230 individual responses to the consultation were received.

9.2 The LTP capital settlement from the Department for Transport (DfT) is forecast to reduce significantly during the early years of the first implementation plan period. The revenue settlement will also reduce year on year impacting on our ability to deliver the transport initiatives within the implementation plan.

- 9.3 The financial challenges underline the need to make tough decisions about how funding will be allocated, manage expectation and plan delivery carefully over the next four years. Reductions in funding may also impact on our ability to deliver against performance indicators.
- 9.4 Other challenges include the need to effectively manage the transition from current in-house provision of highway services to an external contractor, whilst maintaining service provision. Further challenges include the extremely difficult economic climate, as well as meeting the needs of an increasingly ageing population and the imperative to adapt and respond to climate change.
- 9.5 LTP guidance makes clear that the overall quality and delivery of an authority's LTP will be taken into account by the DfT in decisions on bids for challenge funding and/or major projects. It is therefore vital that Cheshire East is able to demonstrate how the strategy has been translated into delivery through the implementation plan, in line with local priorities representing the highest possible value for money.

10.0 Background and Options

- 10.1 Cheshire East's Local Transport Plan (LTP) sets out a 15 year transport strategy for the borough (2011-2026), which relates directly to the SCS priorities for action. The SCS thematic areas are:

- Ensure a sustainable future
- Create conditions for business growth
- Drive out the sources of poor health
- Nurture strong communities
- Support our children and young people
- Prepare for an increasingly older population
- Unlock the potential of our towns

LTP Strategy – Consultation Response

- 10.2 The public consultation respondents endorsed the high-level priorities for the LTP strategy to “ensure a sustainable future” and “create conditions for business growth” [60% agreed with these priorities, 30% disagreed and 10% neither agreed nor disagreed.]
- 10.3 When prompted to express an alternative priority, “ensure a sustainable future” and “nurturing strong communities” were the highest placed alternatives.
- 10.4 ***It is recommended that no changes are made to the high-level priorities taken through to the final LTP.***
- 10.5 Within the sustainability theme, the majority of respondents agreed with the proposed priority policies [50% agreed, 41% disagreed and 9% neither agreed nor disagreed]. However, over a fifth (21%) of respondents would like to see the Cycling policy prioritised within the final plan.

10.6 ***It is recommended that the cycling policy is added as a priority within the sustainability theme of the final LTP*** resulting in the following priority policies:

- Policy S1: Spatial Planning – Seek to minimise the future need to travel through a strategic approach in the Local Development Framework that focuses most new development in locations where there is a good range of housing, jobs, shops and services already accessible by public transport, cycling and walking.
- Policy S3: Public Transport (Service Levels & Reliability) – Work with passenger transport operators to explore improvements to service levels and reliability.
- Policy S4: Public Transport (Integration & Facilities) – Work with passenger transport providers to improve public transport integration and facilities.
- Policy S8: Cycling – Work with stakeholders to improve facilities for cycling so that it is attractive for shorter journeys.

10.7 Within the business growth theme, there was general support for the proposed priority policies [49% agreed, 32% disagreed and 19% neither agreed nor disagreed]. However, when prompted to express an alternative priority, “Network Improvement” was the highest placed alternative [chosen by 18% of respondents].

10.8 The “Network Improvement” policy was discussed in detail by Members in the earlier workshops alongside the “Enabling Development” and “Network Management” policies. The discussion centred on the need to utilise limited budgets on creating new infrastructure where this would “unlock potential” and enable new development to deliver economic growth, while making the most of existing infrastructure. Given the financial implications of “Network Improvement” and current budget constraints, it is considered that there would need to be compelling public opposition to the original priorities put forward to justify change in priorities.

10.9 The consultation also identified a measure of support for Policy B1 Strategic Partnerships for economic growth [selected by 20% of respondents]. Since work on the draft LTP has been completed, the need to work in partnership with others has been further highlighted by the successful bid to create the Cheshire & Warrington Local Economic Partnership (LEP). Support for such partnership working will be crucial in delivering the Council’s economic and regeneration priorities.

10.10 ***It is recommended that the policy on Strategic Partnerships is added as a priority within the business growth theme of the final LTP*** resulting in the following priority policies:

- Policy B1: Strategic Partnerships for Economic Growth – Work with neighbouring authorities, appropriate regional/sub-regional organisations, public transport operators and providers to enhance cross-boundary and strategic investment opportunities in transport.
- Policy B2: Enabling Development – Seek to enable appropriate new development by supporting transport infrastructure, regeneration and/or

behaviour change initiatives that will mitigate the potential impact of development proposals.

- Policy B3: Network Management – Effectively manage the highway network to reduce the level of delay and provide for the needs of all road users including pedestrians, cyclists and motorists.
- Policy B8: Maintenance – Adopt a robust and efficient approach to maintenance to minimise deterioration in the highway network and associated infrastructure assets

10.11 Within the health theme, there was general support for the proposed priority policies [56% agreed, 34% disagreed and 11% neither agreed nor disagreed]. However, the consultation did show a mixed response to prioritising the type of road safety intervention most appropriate – the policies of “Road Safety (Education)”, “Road Safety (Enforcement)” and Road Safety (Engineering) all received similar levels of support.

10.12 A Road Safety Strategy is currently being developed for Cheshire East. This will identify the key road safety challenges in the borough and will examine the most effective measures to reduce casualties on the road network. This may result in re-assessment of policies in relation to this evidence.

10.13 In the interim, ***it is recommended that there is no change made to the priorities for health*** listed below.

- Policy H2: Promotion of Active Travel and Healthy Activities – Work in partnership to promote walking, cycling and horse riding as active travel options and healthy activities.
- Policy H3: Public Rights of Way & Green Infrastructure – Protect and enhance public rights of way and transport related green infrastructure and will endeavour to create new links where beneficial for health or access to green spaces.
- Policy H8: Road Safety (Engineering) – Improve road safety through highway design improvements at collision blackspots.

10.14 Within the stronger communities, young people and older people thematic areas, respondents expressed strong support for the proposed priority policies [73% agreed, 17% disagreed and 9% neither agreed nor disagreed].

10.15 ***It is recommended that there is no change made to the priorities within the stronger communities, young people and older people theme*** listed below.

- Policy C1: Community – Work in partnership with local communities to support community led solutions that improve accessibility to key services.
- Policy C2: Accessibility of Services – Work with partner organisations and local communities to make key services easier to access with a particular focus on disadvantaged groups and areas, including people living in rural areas, older people, young people and those without access to a car.
- Policy C3: Access for all – Consider the diverse range of needs concerning disabled people and other groups who experience difficulties using the transport system.

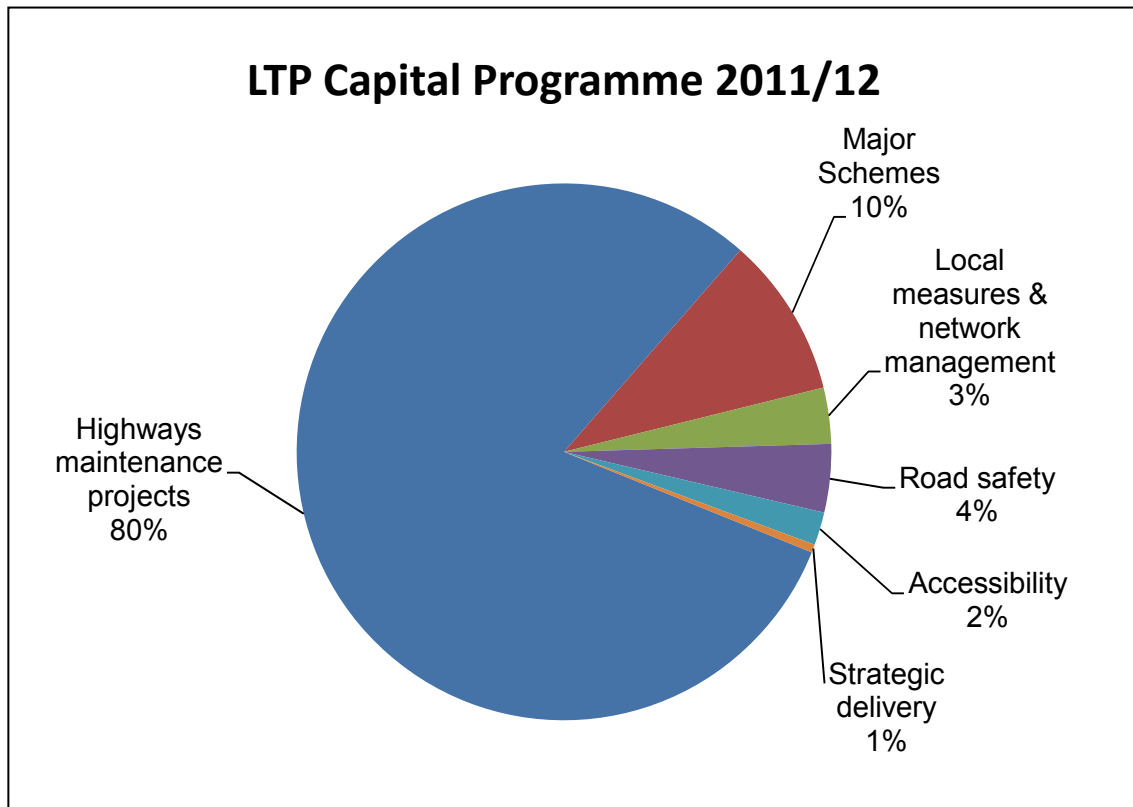
- 10.16 Finally the consultation found strong support for the proposed approach of producing transport frameworks for our towns. These frameworks will reflect the LTP at a more local level and will be undertaken in conjunction with the LDF team.

Draft Implementation Plan

- 10.17 Cheshire East's first LTP implementation plan will cover a four year period from April 2011 until March 2015, in line with the Government's spending review period. The implementation plan will contain details of the schemes and initiatives which will be delivered in order to meet the objectives and priorities for transport set out in the 15 year strategy.
- 10.18 A draft implementation plan is attached as Appendix 1 illustrating how staff and financial resources are proposed to be allocated in line with the priority policies listed above. Appendix 1 also includes a draft set of performance indicators to record our achievement against the plan. The majority of the proposed indicators will be monitored through the National Highway & Transportation (NHT) survey undertaken by Ipsos Mori on an annual basis reducing the level of local data collection.
- 10.19 Following Cabinet approval, there will be a short period of stakeholder consultation on the draft implementation plan from the 18th January until the 16th February 2011.

LTP Capital Programme 2011/12

- 10.20 In December, the Department for Transport (DfT) announced details of the local transport capital settlement for Cheshire East, which for 2011/12 is £10.8M. The options for next years capital programme have been considered by the relevant Portfolio Holders resulting in the proportions of spend illustrated in the pie chart below.
- 10.21 The programme protects investment in highway maintenance as part of Cheshire East's legal duty to maintain and repair the condition of the highway network and address the inherited backlog. The highway condition surveys reveal a picture of barely maintaining the status quo to severe worsening across the network, highlighting the need to maintain investment as a priority in line with Policy B8 above.
- 10.22 The pie chart below includes an allocation for major schemes – this includes the ongoing contributions to DfT for the Alderley Edge Bypass and work to progress the business case for Crewe Green Link Road.
- 10.23 Road safety measures include accident remedial sites, speed management and high risk road rail incursion sites. Local measures and network management includes an allocation for LAP / Ward List schemes and accessibility measures include allocations for cycling, public rights of way improvements, bus network investment and rail station improvements.



10.24 In addition to the LTP capital settlement, the Government have recently established a £560m local sustainable transport fund (revenue & capital) for local authorities to bid for funding to support packages of low cost, high value measures that support economic growth and reduce carbon emissions in their communities. Work is underway to prepare an ambitious bid for Cheshire East.

11.0 Overview of Year One and Term One Issues

11.1 The LTP is a statutory document that must be prepared by the Council by April 2011, including a 15 year strategy and a four year implementation plan.

12.0 Access to Information

12.1 The Sustainability Appraisal Report incorporating the Strategic Environmental Assessment (SEA), a Health Impact Assessment (HIA), and an Equalities Impact Assessment (EIA) can be viewed in the Members Room and Cabinet Office, as well as the electronic pack uploaded onto the website.

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

Name: Jenny Lees

Designation: Principal Transportation Officer

Tel No: 01270 686349

Email: jenny.lees@cheshireeast.gov.uk

This page is intentionally left blank



Local Transport Plan

Draft Strategy (2011-2026)

Foreword

Transport and travel is a fundamental part of everyday life – it enables us to visit friends and family, commute to work, access healthcare, education, shopping and leisure activities, and supports a healthy and vibrant economy. The Local Transport Plan (LTP) aims to capitalise on the strengths of the existing transport system in Cheshire East, including good transport links to major centres via the rail and motorway network, and set out a strategy of how we will look to improve it into the future.

Good transport connections are integral to our ambitious plans for economic growth and protecting our environment to ensure a sustainable future for all our residents and businesses. The quality of the transport on offer will be influential in meeting our wider aspirations for the borough, as set out in our Sustainable Community Strategy – “Ambition for All”.

We are ambitious about our future in Cheshire East and the role transport will play, but we must also be realistic about the challenges we face. The way we travel is changing to adapt to climate change and new technologies, the age profile of the population and shifts in the global economy. Our travel patterns are car dependent for the majority, which means we will have to find ways to travel smarter, possibly less often and in some cases look to other modes of travel such as public transport, walking and cycling.

The LTP strategy has been developed in close co-operation with stakeholders and reflects the consultation feedback from the public. It will shape future investment in our highways and public transport network over the next 15 years, and will be supported by three/four year implementation plans that will transform our strategy into action.



A handwritten signature in black ink, appearing to read 'Wesley Fitzgerald'.

Wesley Fitzgerald
Leader of Cheshire East Council

Contents

Executive Summary	i
1 Introduction & Context	1
Introduction	1
What is a Local Transport Plan?	1
Setting the Context - The People	2
Setting the Context - The Place	2
Policy Context	5
Cheshire & Warrington LEP	7
LTP Objectives	8
Developing the Plan	9
Sustainability Appraisal Process	10
Challenges & Priorities	12
"Daughter Documents"	12
LTP Structure	12
2 Ensure a Sustainable Future	14
Sustainable Community Strategy (SCS) Priorities	14
Evidence Overview	14
Stakeholder Opinion	15
LTP Objectives	16
Sustainability Appraisal	16
Transport Challenges & Policy Solutions	17
Spatial Planning	17
Climate Change - Mitigation & Adaptation	19
Public Transport	20
Walking	31
Cycling	33
Technology & Energy Efficiency	36
3 Create Conditions for Business Growth	39
Sustainable Community Strategy (SCS) Priorities	39
Evidence Overview	39

Stakeholder Opinion	40
LTP Objectives	41
Sustainability Appraisal	41
Transport Challenges & Policy Solutions	43
Strategic Partnerships	43
Enabling Strategic Development	48
Network Management & Improvement	53
Freight	61
Parking	63
Business Innovation	65
Maintenance	66
4 Drive Out the Sources of Poor Health	70
Sustainable Community Strategy (SCS) Priorities	70
Evidence Overview	70
Stakeholder Opinion	71
LTP Objectives	72
H: Sustainability Appraisal	72
Transport Challenges & Policy Solutions	73
Targeted Heath Action	73
Promotion of Active Travel & Healthy Activity	74
Public Rights of Way & Green Infrastructure	78
Air Quality & Noise Pollution	83
Road Safety	89
5 Nurture Strong Communities	95
Sustainable Community Strategy (SCS) Priorities	95
Evidence Overview	95
Stakeholder Opinion	96
LTP Objectives	96
C: Sustainability Appraisal	96
Transport Challenges & Policy Solutions	97

Contents

Community	97
Accessibility of Services	101
Access for All	104
Crime & Terrorism	108
6 Support our Children & Young People	110
Sustainable Community Strategy (SCS) Priorities	110
Evidence Overview	110
Stakeholder Opinion	111
LTP Objectives	112
Y: Sustainability Appraisal	112
Transport Challenges & Policy Solutions	113
Travel to Education	113
Cross-Cutting Challenges for Children & Young People	118
Children, Young People & Road Safety	119
7 Prepare for an Increasingly Older Population	122
Sustainable Community Strategy (SCS) Priorities	122
Evidence Overview	122
Stakeholder Opinion	123
LTP Objectives	123
O: Sustainability Appraisal	124
Transport Challenges & Policy Solutions	124
Availability of Transport	125
Physical Accessibility & Safety	126
Affordability	128
Accessibility of Services	129
8 Unlock the Potential of Our Towns	131
Sustainable Community Strategy (SCS) Priorities	131
Stakeholder Opinion	132
LTP Objectives	133
Transport Challenges & Policy Solutions	133

Appendices

A Draft Transport Framework for Crewe	I
Introduction	I
Transport Challenges for Crewe	I
Objective Statement for Crewe	V
Policy Interpretation Table - Sustainability	V
Policy Interpretation Table - Business	VIII
Policy Interpretation Table - Health	X
Policy Interpretation Table - Communities	XI
Crewe Smarter Choices	XI
Major Scheme: Crewe Green Link Road (South)	XI
Basford Development Site & Crewe Green Link Road Proposals	XI

List of tables

SCS themes and LTP objectives	8
Locations of flash flooding, snow and ice risk	58

Contents

Executive Summary

- 1 Cheshire East has good national and international transport links via the motorway network, rail connections and proximity to Manchester airport, which support Cheshire East's ambition to be a premier location for business growth. This level of connectivity also helps make Cheshire East an attractive place to live, along with its diversity of unique natural and built environment, and a strong sense of community.
- 2 Cheshire East's Sustainable Community Strategy (SCS) - 'Ambition for All' - sets out the vision for the area and priorities for action. Cohesive, empowered and active communities in which people can influence the decisions that affect their locality is at the heart of the SCS for Cheshire East. Local communities are often best placed to identify their own transport needs and to develop local transport solutions. Achieving a high level of community engagement is seen to be a vital component of how the Council will seek to deliver this transport strategy.
- 3 Cheshire East's Local Transport Plan (LTP) relates directly to the seven priorities of the SCS to illustrate how transport contributes to the achievement of wider aspirations and ambitions for the area over the next 15 years (2011-2026). The SCS thematic areas are:

- Ensure a sustainable future
- Create conditions for business growth
- Drive out the sources of poor health
- Nurture strong communities
- Support our children and young people
- Prepare for an increasingly older population
- Unlock the potential of our towns



- 4 In developing the strategy, consideration has been given to the relative priorities across the thematic areas and an understanding of where transport interventions can achieve the greatest results. Following consultation with stakeholders, Members and the general public, the priorities for the LTP are “**ensure a sustainable future**” and “**create conditions for business growth**”.


Executive Summary

- 5 Future investment in transport will be directed towards the policies and interventions which support these priority areas to help grow the economy and tackle carbon emissions. This does not mean that the needs of the other thematic areas will be neglected – rather they will be supported by targeted aspects of the adopted policy solutions, which have a wide sphere of influence in other areas (e.g. needs of young and older people).
- 6 In addition, within each thematic area indicative priority policies have been identified. The policies within the sustainability and business growth themes are ‘core’ policies – others are ‘complementary’ and will be taken forward where resources allow, where they reflect community priorities and/or development aspirations.
- 7 The challenges for “unlocking the potential of towns” are unique to each place and will be addressed within a series of transport frameworks for principal towns and key service centres (as defined by the Local Development Framework) to be developed post-April 2011. Working with the Local Area Partnerships (LAPs), town & parish councils and community & voluntary groups will facilitate a better understanding of transport and accessibility needs at a local level. The aim will be to enable local communities to determine local interpretation of the LTP, and enable detailed exploration of tailored localised solutions.
- 8 The LTP has been subject to wide ranging community engagement, including integrated public consultation with the SCS, stakeholder and Member workshops, LAP questionnaire, analysis of existing town and parish plans, and public consultation via surveys and events.
- 9 The LTP strategy will be supported by rolling three year implementation plans, translating the strategy into deliverable actions. The first implementation plan will include a prioritised list of initiatives to be progressed during the first three years and will set out high-level performance indicators. The LTP will remain a live document supporting continuous improvement in the planning and delivery of services with a focus on achieving greater outcomes more efficiently, with fully engaged communities.

Thematic Areas – Key Transport Links

- 10 To ensure a sustainable future, the SCS identifies the key transport role as: improving transport connections and accessible services, but also in supporting provision of appropriate housing, while protecting the countryside and encouraging more sustainable living. This will include ensuring that Cheshire East’s ambitious plans for growth in the spatial priority areas of Crewe and Macclesfield encourage sustainable living.
- 11 Hence, the key issues revolve around management of transport impacts through the spatial planning system, and especially minimising the need to travel, and ensuring that there are attractive and available sustainable alternatives for the trips people make. This means walking and cycling for shorter journeys and efficient public transport for longer journeys.

Executive Summary

- 12 The scale of the challenge in this area is evidenced by the past and projected growth in CO2 emissions from road transport, which is 37% of the total and is expected to grow by 2020 – whereas other sources of carbon are being reduced. Macclesfield, Knutsford and Wilmslow have the highest emissions from road transport in the borough. This is indicative of a very car dominated area and low public transport use relative to other areas.
- 13 To ensure a sustainable future, the following ‘core’ priority policies have been identified:
- Spatial Planning – Seek to minimise the future need to travel through a strategy in the Local Development Framework that focuses most new developments in locations where there is a good range of housing, jobs, shops and services already accessible by public transport, cycling and walking.
 - Public Transport (Service Levels & Reliability) – Work with passenger transport operators (bus, rail, community transport & taxis) to explore improvements to service levels and reliability.
 - Public Transport (Integration & Facilities) – Work with passenger transport providers (bus, rail and community transport) to improve public transport integration and facilities.
 - Cycling - Work with stakeholders to improve facilities for cycling so that it is attractive for shorter journeys.
- 
- 14 The issues in relation to **business growth** focus on creating the conditions for greater prosperity, and in transport terms centre on the removal of barriers to doing business, such as congestion. Current congestion ‘hotspots’ occur on the inter-urban network including Crewe Green Roundabout and the A500 Barthomley Link in Crewe, as well as the A34 around Congleton and the A6 through Disley. Schemes such as the Crewe Green Link Road or improved access to the airport will unlock the potential of towns, enable development and make Cheshire East an increasingly attractive location for business growth.
- 15 There are important links to the sustainability chapter above, in that the locations of new commercial activity will create destinations which people will wish to access from both existing and new housing sites. Hence, the two will need to be planned together, particularly where edge of centre sites need improved access provision.
- 16 Further location and access issues are raised by the existence of pockets of deprivation and worklessness in parts of the borough, particularly in Crewe, with a need for jobs at suitable skill levels and which can be reached affordably without the need to run a private car. These issues will be accounted for further in transport frameworks developed locally.

Executive Summary

- 17** Attracting investment and fostering growth in the commercial sector will need transport to be reliable and predictable – especially by road, where most goods movement and much business travel takes place. Hence, it will be vital to more effectively maintain and manage this network to ensure delays are minimised and journey quality is acceptable.
- 18** To create conditions for business growth support for transport infrastructure is vital. The following ‘core’ priority policies have been identified:
- Maintenance – Adopt a robust and efficient approach to maintenance to minimise deterioration in the highway network and associated infrastructure assets (e.g. lighting, street furniture etc.)
 - Network Management – Effectively manage the highway network to reduce the level of delay and provide for the needs of all road users including pedestrians, cyclists and motorists.
 - Enabling Development – Seek to enable appropriate new development by supporting transport infrastructure, regeneration and/or behaviour change initiatives that will mitigate the potential impact of development proposals.
 - Strategic Partnerships for Economic Growth - Work with neighbouring authorities, appropriate regional/sub-regional organisations, public transport operators and providers to enhance cross-boundary and strategic investment opportunities in transport.
- 19** The action to drive out the **sources of poor health** highlights two obvious challenges: the first is to reduce loss of life and injury in transport-related accidents; and the other to ensure people do more walking and cycling, which will help reduce obesity levels and the related health problems of diabetes, heart disease and cancer targeted by the SCS.
- 20** Alongside this, a less obvious positive contribution to health can be made by ensuring that all people have good sustainable access to nature and the countryside, which is proven to have a beneficial effect on mental health and well-being, as well as the active travel benefits.
- 21** Although big improvements in road safety have been made in recent years, there are still significant numbers of accidents, with over 68% of residents reporting having been involved in a road traffic collision. The roads remain disproportionately higher risk for motorcyclists, cyclists and people on foot – so creating a further barrier to active travel.

Executive Summary

22 Within the health thematic area, a number of 'complementary' policies have been identified as indicative priorities and will be taken forward where resources allow. These are:

- Public Rights of Way & Green Infrastructure – Protect and enhance public rights of way and transport related green infrastructure and endeavour to create new links where beneficial for health or access to green spaces.
- Promotion of Active Travel and Healthy Activities – Work in partnership to promote walking, cycling and horse riding as active travel options and healthy activities.
- Road Safety (Engineering) – Improve road safety through highway design improvements at collision blackspots.



23 A Road Safety Strategy is currently being developed for Cheshire East. This will identify the key road safety challenges in the borough and will examine the most effective measures to reduce casualties on the road network. This may result in re-assessment of policies in relation to this evidence. Road safety issues were a key issue of concern within town and parish plans across the borough.

24 In nurturing **strong communities**, the key transport issues will be primarily local, so that engagement and consideration of their views prior to determining any course of action will be crucial in achieving the SCS priority to 'support the community to support itself'.

25 Local delivery of services and enabling solutions to emerge from within communities is vital to success – often finding innovative ways to retain service provision more locally, so reducing the need to travel to larger towns to access the facilities that people want. This capacity can be improved by devolving responsibility for delivery and maintenance of some current Council transport-related activity down to town, parish and local level.

26 Accessibility to services such as education, employment, shopping and leisure can be challenging for the 39% of Cheshire East's population living in rural areas. Areas within the Nantwich LAP have the greatest distance to travel to reach key services. Accessibility within towns can also be challenging, particularly in areas of deprivation where cost can be a barrier. Improvements in this area can emerge through technology, as well as transport services.

27 The best solutions to providing for disabled people, and those who experience difficulty with making longer trips, may also often be found within their local communities. This should however complement measures to ease physical access to public transport and the availability of flexible, on-demand door-to-door services for those who need them.

Executive Summary

- 28 Many of the transport issues affecting **children and young people** are closely related to accessibility by modes other than the car, since most will be too young to drive. Here, there are particular challenges associated with ensuring access to education at all stages.
- 29 Additionally, issues remain with younger people's exposure to risk on the roads – with over 10% of those killed or seriously injured being under 16, along with unusually high risks of involvement in an accident for car occupants and motorcyclists under 25. This sits alongside the growing threat to young people's health from rising obesity rates.
- 30 The overall health and accessibility issues identified above are often exacerbated for young people; however, outside of the education sector, better targeting of solutions – rather than additional measures – may be the best way to ease the transition to adulthood.
- 31 Transport issues faced by **older people** are in many ways a subset of the challenges outlined in the community and health thematic areas. Retaining good health longer through life is important, and active travel and access to a range of facilities and services helps older people retain a higher quality of life for longer, postponing the time when availability of specialist transport and access to healthcare services become the primary transport issues affecting them.
- 32 Cheshire East has a large (19%) and growing – but also a largely healthy and prosperous – population of older people, with increasing numbers continuing to drive for longer as well as a high take-up of free concessionary bus travel. However, as people live longer, they eventually require more specialist support and the issues of transport to facilities versus at-home service provision will become acute. Older people have expressed more difficulty accessing hospitals than other facilities, and need for better targeted services.
- 33 Inevitably, physical mobility declines with age, and it is important to ensure that day-to-day use of transport systems and streets is not compromised by unnecessary barriers to older people's mobility such as high kerbs or steps, lack of seating, or poor information, as well as minimising the risk of slips, trips and falls on streets and in transport systems. The Poynton shared space scheme is a positive example of where this approach has been implemented.



Poynton Shared Space Scheme Concept

34 Within the stronger communities, young people and older people thematic areas, a number of ‘complementary’ policies have been identified as indicative priorities and will be taken forward where resources allow. These are:

- Community – Work in partnership with local communities to support community led solutions that improve accessibility to key services (employment, education, health, shopping and leisure).
- Accessibility of Services – Work with partner organisations and local communities to make key services easier to access with a particular focus on disadvantaged groups and areas, including people living in rural areas, older people, young people and those without access to a car.
- Access for all – Consider the diverse range of needs concerning disabled people and other groups who experience difficulties using the transport system.

Executive Summary

1 Introduction & Context

1 Introduction & Context

Introduction

1.1 This document is the first Local Transport Plan (LTP) to be developed by Cheshire East Council following the re-organisation of local government in Cheshire in April 2009.

1.2 The plan seeks to build on past achievements, but also sets out to develop a greater focus on the area's communities. The plan has been developed in accordance with the Department for Transport (DfT) document 'Guidance on Local Transport Plans', but also clearly reflects local priorities.

1.3 Good transport is vital in building sustainable communities, contributing towards the development of safer and stronger communities, healthier children and young people, older people living independently, equality and social inclusion, environmental objectives and better local economies. The LTP is a vital tool to help the council work with its stakeholders to strengthen its place shaping role and its delivery of services to the community.



What is a Local Transport Plan?

1.4 This LTP is a strategic plan for the development of transport within Cheshire East over the period 2011-2026, outlining how transport will contribute to and support the longer-term aspirations of the borough. Delivery of the plan will be set out in a short-term implementation plan to allocate resources and prioritise key transport measures. The duration of the implementation plan will match the indicative funding commitments by central government – currently proposed as three year settlement periods.

1.5 In addition to the strategy and implementation plan, the LTP will be supported by a series of topic-specific 'daughter documents' which will address detailed or technical issues relating to the delivery of the LTP in Cheshire East.

1.6 The LTP will remain a live document and will therefore be subject to ongoing review and development. As new national and local policies, strategies and priorities emerge and new challenges are identified, part or all of the LTP suite of documents will be reviewed and updated.

1 Introduction & Context

Setting the Context - The People

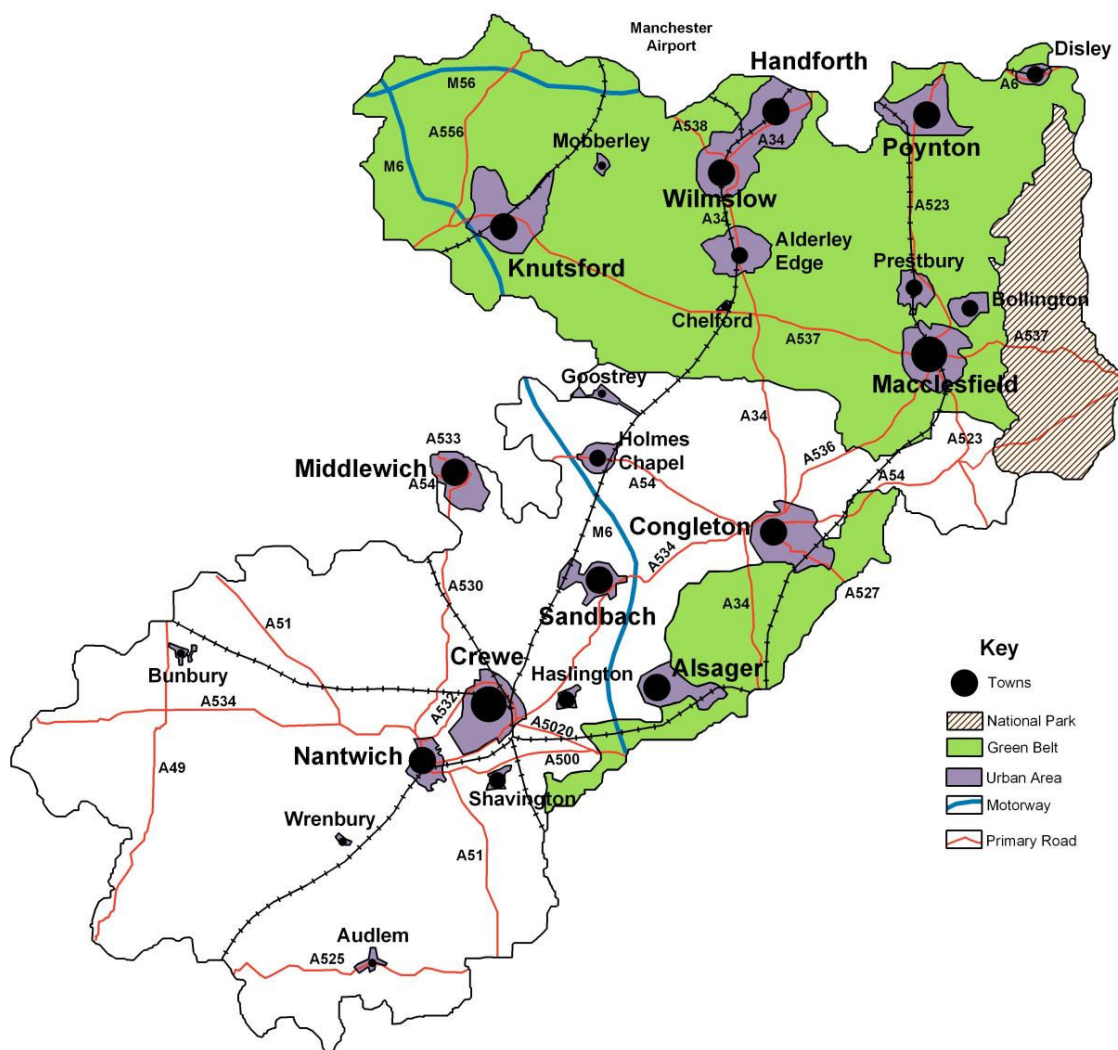
- 1.7** Approximately 360,000 people live in Cheshire East, which has experienced a steady increase in the size of the population since 1999. However, over recent years, the 'young people' population has decreased and population at retirement age has grown, leading to an increasingly ageing population within the borough. Population projections estimate that these trends will continue in the future.
- 1.8** Cheshire East is a good place to live. In 2008, 85% of residents said they were satisfied with their local area. This was 5% above the national average. Residents also have a longer life expectancy than the national average.
- 1.9** Young people in the borough perform well. For example, in the 2008/09 academic year, 57.3% of Year 11 pupils achieved five or more GCSE A*-C grades including Maths and English. This exceeded the average for maintained (Local Authority) schools in England (50.7%)
- 1.10** Despite good overall quality of life, there are some parts of the area where the experience is different. Around 6% of the borough's population live in neighbourhoods classified as being in the 20% most deprived nationally, based on the 2007 Index of Multiple Deprivation. The majority (10 out of 14) of these neighbourhoods are in Crewe town, with the rest in Macclesfield and Congleton towns and the Wilmslow-Handforth conurbation. This means that 22,700 people live in neighbourhoods which rank among England's worst 20% for overall deprivation.
- 1.11** There are some significant health inequalities between parts of Cheshire East. For example, life expectancy ranges from 73 years for men in parts of Crewe to 84 years in parts of Wilmslow. Life expectancy is as low as 77 years for women in some parts of Crewe but is 94 years in parts of Macclesfield.
- 1.12** Cheshire East has active and vibrant communities – a strong town and parish councils network, many neighbourhood groups and a strong volunteer force consisting of large and small voluntary groups at work throughout our communities.

Setting the Context - The Place

- 1.13** Cheshire East is the third largest unitary authority in the North West, next to Manchester and Liverpool. The borough has a total area of 116,638 hectares, with boundaries to Warrington, Greater Manchester, Stockport, Derbyshire, Staffordshire, Shropshire and Cheshire West and Chester.
- 1.14** The area has a diverse mixture of urban and rural areas with approximately 39% of the population living in rural areas and 61% in our towns. The borough has two major towns in Crewe and Macclesfield and a number of smaller towns including Wilmslow, Congleton, Sandbach, Poynton, Nantwich, Middlewich, Knutsford and Alsager. The unique and diverse character of the borough's towns is seen as a major asset of the area and something which local people highly value.

1 Introduction & Context

Cheshire East



Map of Cheshire East

- 1.15** 93% of the area is classed as at least 'more rural than urban', while 88% is classified as 'greenspace'. The borough has a wide variety of green spaces including parts of the Peak District National Park, the Cheshire plain, mosses, meres and heaths. The National Park designation is linked to two statutory purposes: to conserve and enhance natural beauty, wildlife and cultural heritage, and promote opportunities for understanding and enjoyment of the National Park by the public.
- 1.16** Cheshire East has a rich and varied heritage and many unique environmental and cultural assets. Many of the region's finest historic assets are found here, and their effective conservation is central to maintaining strong local distinctiveness, driving the economy, supporting educational targets and promoting community cohesion.
- 1.17** These assets include Macclesfield's industrial heritage, Tatton Park, Little Moreton Hall, Crewe railway heritage, Tegg's Nose, the canal network, historic towns such as Nantwich, parts of the Peak District National Park and 2,637

1 Introduction & Context

listed buildings, of which 47 are Grade I listed. In addition, we have other unique attractions such as Jodrell Bank Radio Telescope and the many fine houses and gardens open to the public. The wealth of heritage and history is seen by local people as one of the areas most distinctive and valuable assets.

- 1.18** Cheshire East has a strong economy. The unemployment claimant rate (2.7% in July 2010) is below the UK average (4.5%). Whilst Cheshire East contains only 5.1% of the North West's working-age population, it contributes 5.5% of the region's workforce and 6.9% of its economic output. It also accounts for 7.4% of its businesses, the highest share of any North West authority area. The borough has strong economic relationships with surrounding economies, particularly Greater Manchester and North Staffordshire.



Jodrell Bank

- 1.19** In recent years the boroughs economy has become less dependent on traditional manufacturing and more dependent on service sector jobs. By 2008, the manufacturing sector accounted for only 13.5% of Cheshire East employees, down from 23.5% in 1998 (and from 17.4% in 2006). Financial services activity accounts for a relatively high share of the employment total (higher than its share in Great Britain as a whole) and the sector grew substantially in the years leading up to the latest recession. While Manchester Airport is both a significant employer and contributor to the economy in Cheshire East.
- 1.20** The boroughs visitor economy is worth over £650m each year (37% of the visitor economy volume for Cheshire & Warrington) and supports 10,000 jobs.
- 1.21** There are wide gaps in economic prosperity in the area, with average household income in the most affluent neighbourhood being around three times that of households in the least affluent neighbourhood. Over a quarter of people are out of work and claiming benefits in the borough's poorest neighbourhoods.
- 1.22** One consequence of the borough's strong economy is that a higher than average impact on the environment. At present the level of CO2 emissions per capita (10.3 tonnes in 2007) is higher than the averages for both the North West and the UK (both 8.4 tonnes).
- 1.23** Affordability of housing is also a significant issue as prices are high, making buying a home out of the reach of many people. By 2009, house prices in Cheshire East were 6.9 times average earnings, compared to ratios of 5.2 for the North West and 6.3 for England as a whole. In January 2010, Cheshire East average house prices were £154,400, or 31% above the North West average (£117,900).

1 Introduction & Context

- 1.24** Cheshire East has been sub-divided into seven Local Area Partnership (LAP) areas. These partnerships bring together the key agencies (e.g. emergency services, health bodies, town and parish council representatives, third sector organisations) within localities to ensure engagement with communities, provide empowerment opportunities and improve service delivery through the development of robust, evidence based Area Delivery Plans.

Policy Context

- 1.25** Transport is not an end in itself, but rather an enabler of other activities and outcomes. For this reason this LTP must support and enable the delivery of the Council's wider strategy and ambition. These are:

Sustainable Community Strategy

- 1.26** Cheshire East's Sustainable Community Strategy (SCS) 'Ambition for All' outlines a 15-year strategy to improve the quality of life, contribute to sustainable development and improve the economic, environmental and social well-being within the area.
- 1.27** The SCS outlines a vision – shared with this LTP – that, by 2025, Cheshire East will be “A prosperous place where all people can achieve their potential, regardless of where they live. We have beautiful countryside, unique towns with industrial character and a wealth of history and character. The people of Cheshire East live active and healthy lives and get involved in making their communities safe and sustainable places to live.”
- 1.28** The SCS defines seven priority areas for action:
- *Nurture strong communities*
 - *Create conditions for business growth*
 - *Unlock the potential of our towns*
 - *Support our children and young people*
 - *Ensure a sustainable future*
 - *Prepare for an increasingly older population*
 - *Drive out the sources of poor health*
- 1.29** The LTP will utilise these priorities as the foundation of its chapter structure and explore how transport can support these wider aims.
- 1.30** Beneath each priority theme sits a number of priorities for action, some of which are capable of influence by transport interventions. These are addressed in each chapter, along with an assessment of evidence and trends, and the results of engagement.

1 Introduction & Context

Cheshire East Council's Corporate Plan

1.31 Cheshire East Council's **Corporate Plan** (2010-13) outlines an overarching strategy and range of initiatives to improve the quality of community life for residents in the borough. This will be achieved through working towards the following goals:

- Health and wellbeing
- Children and young people
- Economy, Transport and Housing
- Safer communities
- Environment and Climate change



1.32 In terms of definite transport goals – the Corporate Plan has the following ambition:

- Maintain the condition of our highway network in the face of Government funding reductions;
- Invest in cycling and walking infrastructure;
- Continue to support road safety measures.

Local Development Framework (LDF)

1.33 Cheshire East's emerging LDF will provide the overall development strategy for the borough and will set out a strategy to deliver the Council's ambitious plans for growth to deliver economic prosperity. It will also provide a framework for the Council's Economic Development Strategy (EDS).

Economic Development Strategy (EDS)

1.34 Transport plays an essential role in regeneration and economic growth. The LTP has therefore been developed alongside the draft EDS to ensure mutually inclusive policies and objectives are outlined within these two documents. The Council's draft EDS highlights the principal towns of Crewe and Macclesfield as spatial priorities, alongside a focus on "Sustainable Towns".

1.35 The first of these priority spatial areas has been considered in Crewe's "Strategic Framework for Economic Growth 2010-2030" which describes the challenges for economic development and the role that transport needs to take to support the long-term prospects of Crewe's economy, businesses and community. Key transport actions include the redevelopment of Crewe railway station (potentially providing a new interchange and safer passenger facilities) and the access works associated with the development of the Basford strategic sites.

1 Introduction & Context

- 1.36** An economic master plan will likewise consider the future development of Macclesfield and identify how key development sites can best contribute towards the town achieving its maximum potential. The master plan will examine both the revitalisation of the town centre and aspirations for the South Macclesfield Development Area.
- 1.37** The “Sustainable Towns” priority will examine the potential for sustainable economic development to support smaller towns – known as key service centres in the LDF.

Climate Change Strategy

- 1.38** Transport currently accounts for 37% of total carbon dioxide emissions in Cheshire East. This emerging strategy and action plan will cover the whole borough and work across all sectors. It will plan to adapt and provide mitigation for unavoidable climate change.

Other Key Strategies

- 1.39** Other key strategies that our transport planning will reflect, inform and influence include:
- *Housing Strategy;*
 - *Visitor Economy Strategic Framework;*
 - *Health Inequalities Strategy;* and
 - *Children and Young People’s Plan.*

Cheshire & Warrington LEP

- 1.40** The Government recently approved the formation of a Local Enterprise Partnership (LEP) for the Cheshire and Warrington sub-region. The LEP will consist of the three Leaders of the unitary authorities of Cheshire East, Cheshire West & Chester and Warrington, plus the Chairman of the Cheshire & Warrington Enterprise Commission, seven private business sector leaders, and three members of other sectors (voluntary sector, education).
- 1.41** The precise relationship between the LEP and central Government is still to be determined but whatever emerges, the Cheshire and Warrington LEP will seek to ensure close working between the public and other sectors in forging the economic strategy and priorities for the area. It will become a powerful lobbying group to promote transport schemes and priorities to support the sub-regional economy.
- 1.42** The LEP will be driven by a private sector dominated board, with a private sector business chair. Although it will be the Initial LEP Board (ILB) itself to propose its detailed terms of reference and operational procedures, it is likely that strategic transportation issues will be a significant area of work for the group. It is anticipated that that in due course a collective response to supporting longer term strategic aspirations will be required.

1 Introduction & Context

- 1.43** **Policy B1: Strategic Partnerships for Economic Growth** within the Business Growth chapter will be particularly relevant, however, the LEP will potentially seek to influence and promote a large range of objectives which have links to transport ranging from climate change to tourism. The LTP will need to adapt to any future requirements of the LEP as well as progressing local issues.

LTP Objectives

- 1.44** To help deliver the SCS priorities for action and key strategies, a series of LTP objectives have been developed through the consultation process with stakeholders and Members. These aim to make explicit the areas where transport can make a positive contribution to the achievement of the priority goals within each area, and also where it would be likely to hinder achievement if under-performance is not addressed. The seven objectives are:

RELEVANT OBJECTIVES

Objective 1 (Congestion): Minimise congestion and improve the overall efficiency of the highway network.

Objective 2 (Accessibility): Improve accessibility to key services (employment, education, health, shopping and leisure) and reduce the need to travel.

Objective 3 (Maintenance): Improve maintenance of the highway and transport network.

Objective 4 (Community): Support community involvement and decision-making.

Objective 5 (Health): Support active and healthy lifestyles.

Objective 6 (Environment): Protect and enhance the local and global natural environment (including environmental assets such as biodiversity, geodiversity, soils and protected landscapes).

Objective 7 (Safety): Improve road safety for all users and increase personal and community safety.

- 1.45** The table below identifies the links between the SCS key priorities for action and the LTP objectives. This matrix highlights the most direct links only; less direct links exist between some of these objectives and are highlighted individually within each chapter.

SCS Themes:	Sustainability (S)	Business Growth (B)	Health (H)	Stronger Communities (C)	Children & Young People (Y)	Older Population (O)	Towns (T)
Objectives							
Congestion		X					X

1 Introduction & Context

SCS Themes:	Sustainability (S)	Business Growth (B)	Health (H)	Stronger Communities (C)	Children & Young People (Y)	Older Population (O)	Towns (T)
Objectives							
Accessibility	X	X		X	X	X	X
Maintenance		X					X
Community				X			X
Health	X			X		X	X
Environment	X	X	X				X
Safety			X	X	X		X

SCS themes and LTP objectives

Developing the Plan

1.46 A six stage process has been undertaken to develop the LTP, and this document covers the process up to step five – the final stage being to develop an implementation plan:

- Clarify the overarching vision, goals and objectives for transport in Cheshire East through direct involvement in development of the SCS.
- Assess the evidence and identify the key issues or challenges to solve, through data collection for the Sustainability Appraisal Scoping, Transport Baseline and stakeholder workshops.
- Generate options for measures that will resolve these challenges, through stakeholder workshops and examination of evidence.
- Appraise the feasible policy options and predict their likely effects, through stakeholder workshops and policy refinement and filtering.
- Select the strongest set of preferred policy options and priorities; influenced by stakeholder workshops, evidence and emerging draft strategy consultation feedback.
- Plan to deliver the most effective transport measures within these policy areas, though preparation of an implementation plan for years 1-3 of the LTP strategy period.

1.47 The initial high-level vision which informs the LTP was developed in conjunction with the process that led to the adoption of “Ambition for all: the Cheshire East Sustainable Community Strategy 2010-2025”, by directly engaging with the strategic and thematic partnerships and undertaking consultation with members of the public. The process sought to identify genuine priorities for transport across a range of stakeholder and partnership opportunities - not only those projects that the Council has the potential to support financially. In many cases external funding from both the public and private sector will be required (e.g. rail improvement projects).

1 Introduction & Context

- 1.48** To inform the development of the LTP, data was gathered from a variety of sources to identify trends and issues in wider social, economic and environmental circumstances. Existing transport infrastructure and service performance has been assessed, and travel patterns analysed to build up a picture of current and future transport challenges, and how they relate to the wider outcomes which transport can either support or constrain.

Consultation Process

- 1.49** In addition to the public consultation on transport issues integrated into the SCS development process, extensive consultation was also undertaken with transport stakeholders, community representatives, and elected Members. This detailed engagement was undertaken through two initial workshops (with stakeholders and Members) and a questionnaire (for LAP members). These workshops (supplemented by analysis of existing town and parish plans) identified the most important issues and challenges, and enabled attendees to propose policy options. A final workshop (with Members) identified the strategic priority themes and policies for inclusion in the draft LTP.
- 1.50** Public and stakeholder views on the draft LTP were then collated during the October/November consultation period through a survey form (available in libraries and information centres, and on-line) and at consultation events (including presentations to all town councils and public consultation events in various locations).
- 1.51** The initial 3 year implementation plan will be developed following the LTP strategy consultation period and will be subject to public and Member consultation in January/February.

Sustainability Appraisal Process

- 1.52** Government guidance and legislation relating to transport planning, requires that all new LTPs should be subject to:
- Strategic Environmental Assessment (SEA)
 - Health Impact Assessment (HIA)
 - Equality Impact Assessment (EqIA)
 - Habitats Regulations Assessment (HRA)
- 1.53** A Sustainability Appraisal (SA) has been prepared in parallel with the draft LTP strategy in order to inform its development. The SA documents each of the elements above and sets out how the LTP contributes to meeting environmental, health, equality, social and economic objectives.
- 1.54** As part of the appraisal process, 13 sustainability objectives were set and tested against LTP policies. The objectives were:
1. **Biodiversity, habitats, geology...** To protect and enhance biodiversity, habitats and important geological features including soil and water

1 Introduction & Context

resources; with particular care to sites designated internationally, nationally, regionally and locally.

2. **Flooding...** To prevent inappropriate transport infrastructure on floodplains and guard against increased risk of flooding.
3. **Minimise need to travel & sustainable modes...** To minimise the need to travel by car and facilitate integrated forms of sustainable transport.
4. **Heritage & landscape...** To protect and enhance the quality, integrity and distinctiveness of the area's heritage, landscapes and townscapes, through high quality transport planning and design.
5. **Pollution & climate change...** To minimise the level of noise, water, soil and air pollution from transport and reduce the borough's transport contribution to climate change.
6. **Resources & green infrastructure...** To reduce the consumption of natural resources, protect and optimise utilisation of green infrastructure.
7. **Energy...** To minimise the requirement for energy use, promote energy efficiency, and increase the use of energy from renewable sources for transport and transport related assets.
8. **Design...** To promote high quality building/layout design that supports transport sustainability.
9. **Towns & local centres...** To support and increase the vitality and viability of town and local centres.
10. **Economy & access to employment skills...** Achieving the interconnected objectives of establishing a sustainable, competitive local economy and improving access to skills, knowledge and employment both in rural and urban areas.
11. **Safety...** To create a safe environment to live in and reduce fear of crime.
12. **Quality of life...** To enhance and promote the quality of life, health and social inclusion of all residents in the borough.
13. **Access to leisure countryside...** To maintain and enhance access to formal and informal cultural, leisure and recreational facilities and improve access to the countryside.

1.55 The SA contributed to the prioritised approach that sets the need to create conditions for business growth alongside the need to ensure a sustainable future. Where the findings of the SA are found to be particularly relevant, these have been included within each chapter.



Bosley Cloud

1 Introduction & Context

Challenges & Priorities

- 1.56** In the short term, the Council faces very challenging reductions in transport spending from central Government.
- 1.57** The LTP must be realistic and deliverable whilst also retaining the ambition to achieve much more when the funding climate improves. In order to achieve this it is necessary to indicate which themes and policies have priority over others.
- 1.58** Through consultation with elected Members, two proposed priority SCS themes have emerged – these are **creating the conditions for business growth**, and **ensure a sustainable future**. This does not mean that the needs of other areas will be neglected – rather they will be supported by targeted aspects of the core policy solutions adopted.
- 1.59** A similar exercise has been undertaken to prioritise the policies within each area. Proposed ‘core’ and ‘complementary’ policies are highlighted in the chapters. The level of funding available for transport over the lifespan of this strategy will determine the number of policy areas that can effectively be delivered.

"Daughter Documents"

- 1.60** The transport priorities of the final LTP will be reflected in a series of technical, topic specific, “daughter documents”. The scope of these documents will be separately determined for each, but will consider the Council’s approach to both statutory and non-statutory duties in the context of LTP priorities. The following “daughter documents” are to be prepared either in parallel to the LTP or during the first year of the plan period:
- Rights of Way Improvement Plan
 - Transport Asset Management Plan
 - Network Management Plan
 - Passenger Transport Strategy
 - Road Safety Strategy
 - A series of individual Transport Frameworks for towns

LTP Structure

- 1.61** The chapters are structured around the SCS themes:
- **Chapter 2: Sustainability** – Ensure a sustainable future
 - **Chapter 3: Business** – Create conditions for business growth
 - **Chapter 4: Health** – Drive out the sources of poor health
 - **Chapter 5: Communities** – Nurture strong communities
 - **Chapter 6: Young people** – Support our children and young people
 - **Chapter 7: Older people** – Prepare for an increasingly older population
 - **Chapter 8: Towns** – Unlock the potential of our towns

1 Introduction & Context

- 1.62** In each chapter, the ways in which the SCS area for action is linked to transport are identified, relevant evidence is assessed, and emerging issues identified. These are refined down to more transport-specific challenges, and a range of policies and interventions which might resolve a challenge identified. This process is brought together through cross-referencing where policies that might also have a beneficial impact in other action areas are highlighted.
- 1.63** **Chapter 8: Towns** is slightly different from the rest, in that it sets out the mechanism to ascertain local priorities and undertake locally specific discussion on transport issues, through preparation of a series of Transport Frameworks for towns.
- 1.64** The mechanism for delivering the aspirations of the strategy will be set out in the first implementation plan which will also contain details of how performance will be measured.
- 1.65** **Appendix A** contains a draft Transport Framework for Crewe.

2 Ensure a Sustainable Future

2 Ensure a Sustainable Future

Sustainable Community Strategy (SCS) Priorities

2.1 The SCS has identified four priorities for action to encourage sustainable living and meet the future needs of communities in Cheshire East. These are:

- Provision of affordable and appropriate housing
- Encouraging environmentally sustainable living
- Improving transport connections and accessible services
- Protecting and enhancing our heritage and countryside

2.2 Transport will be influential within each of the four SCS actions for sustainability. Spatial planning decisions need to be proactively considered due to the long term influence on sustainability. The key sustainable development objective is to strike the right balance between the ability of transport to serve economic development and the ability to protect the environment and sustain quality of life, both now and in the future. The policies and initiatives within this chapter will very often help deliver the conditions for business growth by opening up markets and opportunities through sustainable travel modes. For example, a new railway station in Middlewich will make the town more attractive to employers and boost the town's reputation as a tourist destination, while a through train service will also encourage modal shift, potentially reducing congestion and carbon emissions.

2.3 The location of housing and key services influences the need to travel and the ability to use non-car modes. Encouraging environmentally sustainable living through the use of public transport, walking and cycling will minimise the impact that individuals have on the natural environment.

Evidence Overview

2.4 Road transport accounts for 37% of the total carbon dioxide emissions in Cheshire East. When compared to the North West, Cheshire East has a higher percentage of emissions from domestic and local transport services. Macclesfield, Knutsford and Wilmslow have some of the highest emissions from road transport in the North West. This is indicative of the high car dependency and low public transport use in Cheshire East relative to other areas.

2.5 Transport is the only sector of the economy where emissions have increased since 1990, and the only sector where emissions are predicted to increase up to 2020^a. However, the carbon emissions from transport should not be seen as an insurmountable challenge, but an opportunity for systemic change over the next 15 years.

2 Ensure a Sustainable Future

- 2.6** The bus industry is taking the lead for road transport through the statutory introduction of low emission vehicles. These standards are progressively being raised over time, making buses one of the least polluting forms of road transport. Achieving modal shift from private vehicles to bus use would significantly reduce carbon emissions from transport.



- 2.7** In addition, much of the rail network in Cheshire East has been electrified, reducing emissions from trains. Many of the electric trains used on suburban services in the borough are fitted with regenerative braking, where the braking energy is fed back into the power supply and reused by other trains for acceleration, thereby reducing energy consumption and emissions.
- 2.8** Smarter choices are techniques for reducing the need to travel and influencing travel behaviour towards more sustainable modes of transport. They can be applied to both personal and business travel. Evidence suggests that we are not doing enough to implement and monitor smarter choices locally within Cheshire East.
- 2.9** However, national evidence suggests that smarter choice techniques are cost effective in influencing travel behaviour. The results from the DfT's 'Sustainable Travel Towns' programme found that annual per capita emissions from car driving fell by approximately 4.6% for journeys of all lengths.

Stakeholder Opinion

- 2.10** Attendees at the final stakeholder consultation workshop identified the need to **create a sustainable future** as one of the two key priority themes, alongside **creating the conditions for business growth**. These priority themes were supported by the general public through the consultation survey and events.
- 2.11** The consultation process also identified the following priority policy areas:
- Public Transport (Service Levels & Reliability) – Work with passenger transport operators (bus, rail, community transport & taxis) to explore improvements to service levels and reliability.
 - Public Transport (Integration & Facilities) – Work with passenger transport providers



2 Ensure a Sustainable Future

(bus, rail and community transport) to improve public transport integration and facilities.

- Spatial Planning – Seek to minimise the future need to travel through a strategy in the Local Development Framework that focuses most new developments in larger settlements where there is a good range of housing, jobs, shops and services already accessible by public transport, cycling and walking.
- Cycling - Work with stakeholders to improve facilities for cycling so that it is attractive for shorter journeys.

2.12 In exploring the detailed transport challenges related to planning for sustainability and future needs, there was strong stakeholder support (throughout all stages of consultation) for improving the quality of public transport and tackling climate change through improving the network for sustainable modes of travel.

LTP Objectives

RELEVANT OBJECTIVES

Objective 6 (Environment): Protect and enhance the local and global natural environment (including environmental assets such as biodiversity, geodiversity, soils and protected landscapes).

Objective 2 (Accessibility): Improve access to key services (employment, education, health, shopping and leisure) and reduce the need to travel.

Objective 5 (Health): Support active and healthy lifestyles.

Sustainability Appraisal

2.13 In developing the policies set out in the LTP, stakeholders, council Members and the general public were supportive of the need to balance aspirations for business growth with a sustainable approach to transport.

2.14 The Sustainability Appraisal of policies within this chapter found beneficial effects across the majority of sustainability objectives. At least four positive effects were predicted for each individual policy across the full range of sustainability objectives below:

- 1 Biodiversity, habitats, geology...
- 2 Flooding...
- 3 Minimise need to travel & sustainable modes...
- 4 Heritage & landscape...
- 5 Pollution & climate change...
- 6 Resources & green infrastructure...
- 7 Energy...

2 Ensure a Sustainable Future

- 8 Design...
- 9 Towns & local centres...
- 10 Economy & access to employment skills...
- 11 Safety...
- 12 Quality of life...
- 13 Access to leisure countryside...

- 2.15** Policies on walking and cycling showed benefits in eight of the sustainability objectives. This contributed to the evidence that made cycling a priority policy following public consultation.
- 2.16** The only sustainability objective that was not linked to a beneficial effects from sustainability policy was "4 Heritage & landscape...". Uncertain effects were identified for this objective in relation to policies on spatial planning, walking and cycling. The effect (such as detrimental increases in visitor numbers) on this objective would need to be determined at scheme design level, however, it is considered that any impacts could be mitigated through careful management.
- 2.17** In conclusion, the Sustainability Appraisal of the policies within this chapter were overwhelmingly beneficial, and the appraisal contributed to the upgrade in priority of cycling.

Transport Challenges & Policy Solutions

Spatial Planning

- 2.18** The Council's Local Development Framework (LDF) will provide the overall spatial development strategy for the borough. There is a critical link between spatial planning and transport – as the location of housing, employment, retail, healthcare and education facilities will be a major determinant of the need to travel and the attractiveness of each mode.
- 2.19** Current planning policy encourages new development in sustainable locations, so as to minimise the need to travel to that destination by private vehicle. Where a greater range of attractive travel opportunities exist, more people will have the ability to choose sustainable travel modes such as public transport, walking and cycling. There is also a balance to be struck regarding the future vitality of rural towns and villages whereby new development and population increase may support jobs and services - such issues will be dealt with through the LDF process rather than the LTP process.
- 2.20** The aim for the LTP, which is widely supported by stakeholders, is to ensure that development sites have good accessibility and that appropriate conditions are imposed on the application which will ensure the developer makes them accessible - whether in urban or rural locations. This will help create sustainable communities where people are able to “live local, work local and buy local”.

2 Ensure a Sustainable Future

- 2.21** LTP policy needs to reinforce and help deliver the approach set out in the forthcoming LDF – there are two strands of influence: the first is guiding most new development to locations with good existing levels of accessibility, the second relates to mitigating the impact of development and encouraging provision of high quality sustainable transport options. This chapter, on sustainability and future needs, focuses on the first element and seeks to influence spatial considerations within the LDF.
- 2.22** The policy on mitigating the transport impact of development is in **Chapter 3: Business**.
- 2.23** It should be noted that general accessibility issues (such as access to services in rural communities or from areas of deprivation) are considered in more detail in **Chapter 5: Communities**.

PRIORITY POLICY

Policy S1 Spatial Planning: Seek to minimise the future need to travel through a strategic approach in the Local Development Framework that focuses most new development in locations where there is a good range of housing, jobs, shops and services already accessible by public transport, cycling and walking.

S1 Policy Initiatives

- 2.24** **Transport assessment of strategic site proposals:** Assess the likely cumulative impact of development proposals on the highways and transport network, and inform the LDF process by producing public transport accessibility mapping of all strategic sites proposals.
- 2.25** **Neighbouring authority developments:** Work with neighbouring authorities to test the transport impact of adjacent developments on Cheshire East highways and transport network and ensure appropriate mitigation is provided.

2 Ensure a Sustainable Future

S1 Related Initiatives	Policy
Key service locations	C2 Accessibility of Services
Access to employment, skills & education	C2 Accessibility of Services
Transport & Regeneration	B2 Enabling Development
Developer contributions	B2 Enabling Development

Climate Change - Mitigation & Adaptation

- 2.26** Climate change is nationally recognised as one of the most important challenges facing our society. Transport accounts for 25% of our carbon dioxide (CO₂) emissions in the UK and personal car travel is the single biggest contributor to individual CO₂ emissions^b.
- 2.27** Residents of Cheshire East have higher than average carbon dioxide (CO₂) emissions at 10.3 tonnes per person, compared to the national average of 8.4 tonnes per person. In addition, transport accounts for an average of 35% of these emissions, rising to as much as 41% in the Macclesfield area^c. The LTP aims to help reduce emissions and will contribute to targets for Cheshire East as a whole.
- 2.28** A partnership of all the public sector bodies in Cheshire & Warrington has come together to jointly tackle carbon management issues within their own estate. This group includes the 3 local authorities, health care providers, universities and colleges, Cheshire Constabulary and Cheshire Fire & Rescue Service. Projects include joint campaigns, research and communications.
- 2.29** In addition, the Cheshire & Warrington Climate Change & Sustainability Commission (C&WCCSC) consists of organisations from the public sector, as well as business and voluntary groups. Its aim is to champion and drive forward the climate change and sustainability agendas in the Cheshire and Warrington area through joint working. Three main areas for projects have been agreed around adaptation, mitigation and communication programmes.
- 2.30** The possibility of hotter summers, wetter winters and more frequent climatic events will not only affect our weather, but also the health of local residents and the growth of the economy. In relation to transport, this could mean more frequent flooding or snow causing road closures, reduced durability of road surfaces, heat buckling the railways, or fog and high winds affecting air travel.
- 2.31** Transport networks, and their associated green infrastructure, can provide valuable ecosystem services that can assist in the management of, and adaptation to climate change. This green infrastructure can provide carbon storage by trees; sustainable drainage and water conservation; cooling urban heat islands; and ecological connectivity. For example, linear transport features (such as canal towpaths, public rights of way, road verges, cycle routes and

2 Ensure a Sustainable Future

railway embankments) are well suited to enhancing wildlife connectivity across the countryside, as well as providing areas for carbon storage, enabling better water conservation, and in towns and cities, providing valuable cooling systems.

POLICY

Policy S2 Climate Change – Mitigation & Adaptation: Ensure that transport policies support wider climate change objectives and adaptation needs.

S2 Policy Initiatives

- 2.32 Strategic joint working:** Support strategic partners across all sectors to develop, implement and monitor initiatives to reduce CO2 emissions from transport.
- 2.33 Carbon Management Plan:** Implement the Council's internal plan which seeks to reduce CO2 emissions from its buildings, transport and service delivery. The plan has been produced alongside the Carbon Trust and will be published in 2011.
- 2.34 Influence travel behaviour:** Support initiatives to reduce the need to travel by private vehicle and promote the use of sustainable modes of transport. Initiatives include greater use of technology, provision of personalised journey planning and encouraging increased levels of walking, cycling and public transport use.

S2 Related Initiatives	Policy
Sustainable communities	C2 Accessibility of services
Community groups	C2 Community
Prepare for climate change	B3 Network Management
Broadband infrastructure	B7 Business Innovation
Travel plan initiatives	B7 Business Innovation
Council travel	B7 Business Innovation

Public Transport

- 2.35** Public transport has an important role to play in planning for sustainability and future needs by encouraging a shift towards low carbon transport. It is also a cross-cutting theme supporting the delivery of many of the policy objectives within the transport strategy for Cheshire East, including creating the conditions for business growth, improved accessibility to services, helping older people

2 Ensure a Sustainable Future

live independently and supporting regeneration. The initiatives within the public transport theme will be a key focus for developing bids to access potential funding sources (e.g. Sustainable Transport Fund).

- 2.36** A Passenger Transport Strategy will be developed as a daughter document to the LTP, identifying specific policies for public transport, home to school transport and adult services transport. The strategy will investigate the opportunity to integrate transport assets to maximise benefits across communities, reduce duplication and achieve efficiencies on the supported network (e.g. integrate home to school and community transport services).

Integration & Facilities

- 2.37** A lack of integration between transport services has been identified as a significant barrier to greater use of bus and rail services, causing significant increases in journey time and discouraging multi-modal travel. Any initiatives to overcome this (e.g. timetable modifications which facilitate interchange) should increase the appeal of travel by public transport and provide an attractive alternative to the private car.

- 2.38** Stakeholder consultation identified widespread support for working with stakeholders to influence rail and bus station improvements and providing parking at public transport hubs to reduce congestion in urban areas. It is recognised that Crewe railway station is in great need of upgrading due to unsatisfactory facilities and poor maintenance^d. Indeed, the improvement of the station is a key component of 'All Change for Crewe' – Crewe's strategic framework for economic growth 2010-2030.

- 2.39** The provision of additional facilities will also enhance users' safety (both actual and perceived) whilst waiting at bus stops and railway stations. Better communication (e.g. real-time information) would help ensure that users who have just missed a connection do not wait unnecessarily, but are aware of the next service available. The provision of raised kerbs can improve accessibility for wheelchair users, parents with buggies and people with mobility constraints.



Bus stop facilities

- 2.40** The borough's integrated transport forum will bring together bus, rail and community transport operators at a strategic level to explore opportunities to co-ordinate and integrate travel by different modes of transport, ensuring ongoing liaison and positive dialogue with operators.

2 Ensure a Sustainable Future

PRIORITY POLICY

Policy S3 Public Transport (Integration & Facilities): Work with passenger transport providers (bus, rail and community transport) to improve public transport integration and facilities.

S3 Policy Initiatives

2.41 Encouraging multi-modal travel: Support initiatives to improve integration between different modes of transport, such as timetable or route modifications to reduce interchange times or provision for bicycles on public transport.

2.42 Railway station improvements: Work with train operating companies to identify improvements and secure investment in Cheshire East railway stations – especially Crewe. This may include securing developer contributions to upgrade facilities or services.



2.43 Facilities at public transport hubs: Examine the potential for improved car parking and cycle parking at bus and railway stations across the borough, particularly those which improve access into Manchester.

2.44 Access to public transport hubs: Support initiatives to increase access to bus and railway stations through improved signing and improvements to walking routes. Directional signing will also seek to provide information on the distance to facilities. Where demand and potential funding exists work with providers to introduce shuttle services to link public transport hubs and business centres and educational establishments.

2.45 Bus stop condition: Support improvements to the quality and safety of bus stops, including the provision of raised kerbs and dropped crossings, lighting, CCTV, shelter, seating, litter bins and real-time information.

2.46 Green fleet: Encourage the use of low energy, hybrid and electric vehicles by building incentives and disincentives into the procurement process, particularly in Air Quality Management Areas. Promote driver training to operators to reduce emissions and support cleaner operation of the fleet.

2 Ensure a Sustainable Future

S3 Related Initiatives	Policy
Developer Contributions	B2 Enabling development
Retail parking	B6 Parking
Social care transport options	C3 Access for all
Accessibility Audits	C3 Access for all
Accessible vehicles	C3 Access for all
Manchester Airport Group (MAG)	B1 Strategic Partnership

Service Levels & Reliability

- 2.47** Service levels and reliability have been identified by local residents as a disincentive to greater use of public transport services. The issues are particularly acute in rural areas where there is more limited access to conventional fixed route public transport services.

Bus Services

- 2.48** Currently 80% of the bus network is run by commercial operators. The commercial network consists of fixed route services where there is a concentration of passenger demand along a defined route corridor. The network is most dense in the principal towns of Crewe and Macclesfield. Not surprisingly, commercial fixed route services are more limited in the rural areas of the borough, except on roads serving the main towns. The infrequency of rural bus services is a common concern for rural communities where lack of demand due to low population makes higher frequencies commercially inviable.



- 2.49** The Council will work with commercial operators to increase patronage, particularly on marginal services which are 'at risk' of withdrawal, through increased promotion and marketing in order to improve the viability of services. Ultimately the aim is to encourage modal shift from the private car to public transport and expand the commercial bus network in the borough. New developments provide the opportunity to explore new commercial opportunities

2 Ensure a Sustainable Future

where there is likely to be a concentration of passenger demand. The potential for conventional or demand responsive public transport services that link areas of Cheshire East with the Airport may also exist.

2.50 The remaining 20% of the bus network is subsidised by the Council as part of its statutory duty to identify the transport needs of the area and consider financial and other support for public and community transport services where deemed to be socially necessary. The Sustainable Transport Fund will be targeted as a potential significant source of funding for future subsidised bus services.

2.51 As part of the Passenger Transport Strategy, the Council will review the existing bus support criteria in order to prioritise the most socially necessary services and target investment based on need through locally determined criteria in line with strategic objectives for transport contained within this LTP. Criteria is likely to include factors such as whether services provide access to hospital or access to employment through evening/weekend services.

2.52 In reviewing the criteria there will be a need to balance a range of competing priorities (e.g. rural accessibility, urban areas of deprivation, access to healthcare, elderly populations, congestion hotspots) and explore innovative solutions to improving service levels through the commercial and subsidised transport networks, as well as community based solutions.

2.53 In addition, the Passenger Transport Strategy will explore the opportunity to integrate the Council's transport assets to reduce duplication and achieve efficiencies, which could release capacity to improve service levels and better meet the needs of local communities (e.g. integrate home to school and community transport services). Improved networking, coordination and support of community transport providers will help small providers meet demand for services and tackle "fragmentation" of providers across sectors.

2.54 In terms of reliability, data provided by bus operators identified that 84% of services ran on time in 2008/9 and targets have been set to increase this to 87% in 2011/12. Ongoing liaison between operators and the Council's highways service will ensure a co-ordinated approach to highway management issues (e.g. congestion) and a shared understanding of the effects of highway works on passenger transport operators and users.

2.55 Through the Council's Network Management Plan there may also be opportunities to develop bus priority measures on the highway network to reduce delays and improve reliability of services (see **Chapter 3: Business**).

Rail Services

2.56 The number of passengers carried by rail services serving Cheshire East continues to show strong growth. For example Alderley Edge, Sandbach, Holmes Chapel, Chelford, and Disley stations have all seen passenger numbers grow by over 30% in the past two years. Currently a number of rail lines through Cheshire East are operating at or over capacity, including the West Coast Main Line, the Crewe to Manchester line and the Buxton to Manchester line.

2 Ensure a Sustainable Future

- 2.57** There are clear benefits associated with increased rail connectivity and capacity both within the North West and with other parts of the country and railway stations have an important role to play as public transport interchanges. The Northern Hub proposals aim to address rail congestion and overcapacity in central Manchester, which will be important in unlocking improvements in the speed, frequency and reliability of train services across Cheshire East. In addition, national proposals to build a High Speed railway line will encourage modal shift for long distance journeys, as well as releasing capacity on local rail networks (also see **Chapter 3: Business**).
- 2.58** Manchester airport has developed as an important public transport hub, well connected by bus, road, rail and air. In addition, there are well developed proposals to extend the Manchester Metrolink service to the airport. However, rail services to the airport from Crewe require improvement to take full advantage of these interchange possibilities with Sunday services and weekday peak hour services of particular concern.
- 2.59** Network Rail provides all rail infrastructure, while the specification of rail services is decided nationally by the Department for Transport, who periodically let franchises to rail operators to run services. The two main franchise agreements serving Cheshire East are due for renewal in the short term – including the West Coast Franchise (currently Virgin Trains) in 2012 and the Northern Franchise (currently Northern Trains) in 2013. The Council recognises the importance of influencing this process to achieve the best possible service provision and investment into the local rail network.
- 2.60** Cheshire East's membership of national rail lobby groups (e.g. West Coast 250, North West Rail Campaign) helps to ensure that Cheshire East has a voice at a national lobbying level. The importance of working with sub-regional partners and stakeholders is also recognised, as well as the role of Community Rail Partnerships and local user groups in understanding local needs and developing grassroots initiatives.
- 2.61** Through the consultation, local stakeholders expressed support for re-instating passenger services on railway lines, particularly the Northwich to Sandbach line which is currently freight only. Re-opening this line for passenger services would increase travel choice, improve accessibility and enable sustainable growth in Middlewich.

PRIORITY POLICY

Policy S4 Public Transport (Service Levels & Reliability): Work with passenger transport operators (bus, rail, community transport & taxis) to explore improvements to service levels and reliability.

2 Ensure a Sustainable Future

S4 Policy Initiatives

Bus Services

- 2.62 Supported services:** Consider the options for revised support criteria and aim to integrate transport assets to reduce duplication, achieve efficiencies and seek opportunities to improve service levels. Criteria may include whether services provide access to hospital, serve rural areas, elderly populations, or enable employment opportunities through evening and weekend services.
- 2.63 New commercial opportunities:** Work with operators to explore opportunities for new commercially viable bus routes where there is likely to be a concentration of demand, particularly in relation to new development.
- 2.64 Bus driver training:** Support the provision of additional training for drivers to improve the journey experience for users and reliability. This could include training on driving style, as well as general customer service.

Rail Services

- 2.65 Rail service specifications:** Work with strategic partners (e.g. GMPTE, Welsh Assembly Government) and rail investment lobby groups to influence rail service specifications and seek improvements to services levels and reliability.
- 2.66 Reinstate passenger services:** Work with stakeholders to seek improvements to the local rail network, including support for the re-opening of the railway line from Sandbach to Northwich, enabling passengers to travel from Crewe to Manchester via Middlewich.

S4 Related Initiatives	Policy
Rail Infrastructure (National)	B1 Strategic partnership for economic growth
Developer contributions	B2 Enabling development
Manage network disruption	B3 Network Management
Junction efficiency	B3 Network Management
Bus priority measures	B4 Network improvement
Highway capacity improvements	B4 Network Improvement
Community engagement	C1 Community
Community-led initiatives	C1 Community
Community groups	C1 Community

2 Ensure a Sustainable Future

Information & Marketing

- 2.67** 55% of National Highways & Transportation (NHT) survey respondents had used public transport information over the last 12 months. 67% used bus service timetables, 52% used bus stop displays, 28% used the internet, 22% used bus stop information and 18% used Traveline.
- 2.68** The Council will develop an Information Strategy as part of the Passenger Transport Strategy to consider how new technologies will change the way in which public transport information and publicity is accessed and disseminated in the future. It is important to ensure that methods are consistent with people's lifestyles over the next 15 years.
- 2.69** Promotional initiatives will aim to encourage greater use of bus and rail services in borough. To achieve this objective, the Council will work with commercial operators to increase the quantity, quality and accuracy of information provided in a variety of different formats.
- 2.70** The Council will seek to support the commercial bus network through targeting promotion and publicity where it is needed most. For example, at marginal services which are 'at risk' of withdrawal and to relieve congestion in urban areas. The aim is to encourage modal shift and ensure that communities are aware of the services available.
- 2.71** There are also opportunities to utilise personalised journey planning techniques that provide individualised travel advice to people based on their journey making characteristics, with the aim of achieving modal shift.
- 2.72** Initiatives to extend the coverage of real-time information at bus stops (and via mobile devices) to educate car drivers about the true cost of their journey, in terms of both carbon emissions and financial cost (e.g. fuel, tax, maintenance, depreciation), and promote public transport alternatives will be explored.

POLICY

Policy S5 Public Transport (Information & Marketing): Work with passenger transport operators to promote the use of public transport through improved information and marketing.

S5 Policy Initiatives

- 2.73** **Targeted promotion:** Support initiatives to target information and marketing towards commercial services which are 'at risk', services with the greatest potential for mode change, high frequency routes and new or amended services (fixed route or flexible). This could include the 'branding' of public transport routes and publication of positive reliability data.

2 Ensure a Sustainable Future

2.74 Multi-media information: Promote the use of public transport and communicate with passengers through a variety of channels, including traditional time tables, real time information, mobile phones and other media as they emerge. This could also include a multi-modal travel website providing a “one-stop-shop” for travel information. Implementation of this initiative will ensure user groups are involved making non-staffed information points as accessible as possible to disadvantaged groups. Information for visitors needs to be available at key points of entry into Cheshire East and be available for specific events while offering a consistent and warm welcome.

2.75 Community transport: Support initiatives to improve networking and coordination of community transport providers to help small providers meet demand for services and tackle "fragmentation" of providers across sectors. Seek to provide a computerised booking system for flexible transport services to improve the efficiency and facilitate scheduling of services.

S5 Related Initiative	Policy
Travel plan initiatives	B7 Business innovation

2 Ensure a Sustainable Future

CASE STUDY

Beartown Bus

A simplified and co-ordinated network of services, introducing new wheelchair accessible buses has been introduced on town services within Congleton. The "Beartown Bus" theme was used and developed providing a high profile and strong link with the town's history. Infrastructure improvements have also been made to maximise the impact of the accessible buses.



"Beartown Bus" has consistently achieved a progressive increase of the number of passenger trips, peaking at over 100% in comparison to the number recorded prior to its introduction in August 2007. "Beartown Bus" has also generated a significant increase in bus fare revenue.

Fares & Ticketing

- 2.76** Issues relating to the cost of travel by public transport are identified as a significant barrier to greater use of bus and rail services, particularly for young people. It is often cited as the reason why many people choose to travel by private vehicle.
- 2.77** In seeking to reduce carbon emissions associated with transport and encouraging increased use of more sustainable modes, there is a need to tackle the actual and perceived barriers to use. This may include educating users on the cost of travel by public transport relative to the total cost of travelling by car.
- 2.78** A high level of support was shown to a number of fare and ticketing initiatives. Stakeholders expressed the greatest support for developing cross-boundary, multi-operator and multi-modal ticketing solutions to reduce the cost and journey

2 Ensure a Sustainable Future

times of public transport. This is a particular issue in the north of the borough where there are a significant number of commuters travelling to and from Manchester.

- 2.79** In terms of multi-operator ticketing issues, in 2010 there were approximately 50 operators of registered bus services in Cheshire East. Passengers often find that they cannot take advantage of return and day tickets because their best return or onward journey is by a different operator.
- 2.80** The disparity in the cost of rail fares between the area served by the Greater Manchester Passenger Transport Executive (GMPTE) and areas geographically close to the border in Cheshire East has been identified as an issue. Through a local levy on constituent local authorities and higher council tax the GMPTE area is able to offer reduced rate rail fares. A consequence of this is 'rail heading' – whereby many commuters from outside the GMPTE area travel to the closest rail station within the reduced price ticketing zone – often passing closer local stations on the way, travelling further by car and adding to local congestion and carbon emissions.

POLICY

Policy S6 Public Transport (Fares & Ticketing): Work with passenger transport operators to develop fare initiatives and simpler ticketing solutions.

S6 Policy Initiatives

- 2.81** **Intelligent ticketing solutions:** Work with public transport operators and cross boundary partners (e.g. GMPTE) to investigate the potential to develop multi-operator, multi-modal, cross boundary ticketing, tourist/visitor passes and packages. This will include developing smart card initiatives and exploring opportunities to expand the functionality of smart cards to include car parks,
- 2.82** **Monitor and review the fare structure:** Undertake a review of public transport fares to identify any issues associated with the cost of travel by public transport (e.g. cost of access to hospital) – where appropriate support initiatives to overcome any identified issues.

S6 Related Initiatives	Policy
Concessionary bus travel	C3 Access for all
Concessionary rail cards	C3 Access for all
Fare and ticketing initiatives	Y2 Young People

2 Ensure a Sustainable Future

Walking

- 2.83** The 2009 National Highways & Transportation (NHT) survey found that public satisfaction with walking facilities in Cheshire East is low compared with other authorities^e. The most notable issue discouraging travel on foot was the lack of provision of footways (paved areas alongside roads) where they are needed.
- 2.84** Only 43% of respondents were satisfied with the footways provided within their local area, which was the lowest level of satisfaction across all local authorities^f. The provision of footways was felt most acutely in village locations, with HGV movements found to further discourage pedestrian movement due to safety concerns.
- 2.85** The condition of the footways was also considered to be poor compared to other local authorities^g. However, the perception of the overall condition of the public rights of way network was much higher^h, highlighting that significant variation exists between the quality and condition of footways alongside roads and off-road footpaths commonly associated with the public rights of way network; although it should be recognised that respondents may have distinguished between utilitarian and leisure uses of the two types of facility, and have different expectations of quality.
- 2.86** Clarity of warning and direction signs, particularly for pedestrians, has also been identified as an issue, alongside a lack of safe crossing points on the highway network and the quality of walking routes near hospitals.
- 2.87** An increase in the number of shorter journeys made by foot will contribute towards sustainability by reducing carbon emissions, as well as being beneficial for health and tackling congestion. The policy on walking is also included as a policy within the Rights of Way Implementation Plan (ROWIP) and will be jointly delivered across the ROWIP and LTP.



POLICY

Policy S7 Walking: Work with stakeholders to improve facilities for walking so that it is attractive for shorter journeys.

S7 Policy Initiatives

- 2.88** **Footway and footpath improvements:** Promote improvements to the condition of highway footways, footpaths and public rights of way. In particular, support the development, on safety grounds, of low cost

2 Ensure a Sustainable Future

measures, such as verge improvements. Consideration will also be given to resurfacing, removal of litter and other environmental health issues, provision of lighting and seating, where appropriate, and the removal of barriers and obstacles to open up more routes for more people, particularly those with pushchairs and disabled people. This initiative will also recognise the environmental and biodiversity benefits of creating attractive green spaces alongside walkways and cycleways through appropriate planting of trees and shrubs.

2.89 New walking routes: Support the development of new routes where required but not currently provided and support initiatives to connect up the highway footway and public rights of way networks for greater pedestrian movement, including links to the canal system.

2.90 Pedestrian crossing points: Support the provision of safe crossing points, wide pavements, dropped kerbs and other facilities where necessary to encourage travel on foot, improve perceptions of safety along routes and make routes more accessible to disabled people.

2.91 Route signing: Promote the signing of dedicated on- and off-road pedestrian routes to encourage greater use by pedestrians. Initiatives will include the provision of signs relaying destination, distance and time information.

S7 Related Initiatives	Policy
Developer contributions	B2 Enabling Development
Sustainable infrastructure in new development	B2 Enabling Development
Highway clutter	B3 Network Management
Transport Asset Management Plan	B8 Maintenance
Local minor infrastructure improvements	C1 Community
Promote opportunities and facilities	H2 Promotion of active travel & healthy activities
Organised walks, rides and activities	H2 Promotion of active travel & healthy activities
Encourage sustainable travel	Y1 Travel to Education
Safer routes to schools	Y1 Travel to Education

2 Ensure a Sustainable Future

CASE STUDY

Footpath Improvements

During the year 2009/10, the Council resurfaced a number of routes within the town of Macclesfield. The before and after photos speak for themselves in demonstrating the improvements made which make footpaths much more attractive to users.



Footpaths in Macclesfield before and after improvement works.

Cycling

2.92 Cycling is an ideal mode of transport for short local trips, particularly in urban areas. Encouraging increased levels of cycling will support many of the policy objectives within the LTP, including reduced congestion, better air quality, lower carbon emissions and improved health and wellbeing.

2.93 The 2009 National Highways & Transportation (NHT) survey suggested that the availability of cycling routes was the area with the greatest potential for improvement when compared with other local authorities. In addition, provision of cycle signage was also identified as an issue with potential for improvement.



2 Ensure a Sustainable Future

- 2.94** On-road cycling facilities within the borough are limited, yet the highway network is extensively used for cycling. The stakeholder consultation identified the lack of dedicated cycle crossing facilities at road junctions and traffic signals as a barrier to greater use of bicycles, leading to safety concerns for cyclists.
- 2.95** A small number of off-road cycle routes exist within the borough, such as the Crewe to Nantwich Greenway developed as part of the Connect 2 initiative. Although these routes provide a good level of facilities along their length, the lack of connectivity between the routes restricts their use for longer journeys. This may, in part, explain why a low percentageⁱ of respondents are satisfied with the quality and provision of cycle ways and cycle routes within the borough.
- 2.96** At present, 3.4% of the borough's population travel to work by bicycle, increasing to 8.2% of residents in Crewe. A lack of cycling facilities at employment destinations may be contributing towards this low cycling rate^j.
- 2.97** Concerns regarding safety and perceptions of safety were identified in a North West behavioural change study as a barrier to additional cycling demand^k. This issue is partly due to the lack of dedicated cycling infrastructure. Cycle training can also play a role, with estimates suggesting that the cost benefit ratio achieved through cycle training can be as much as 7:1^l.
- 2.98** The aim will be to improve facilities for cycling to make routes and destinations as attractive as possible to users. This means developing routes which will usefully link destinations and services (e.g. routes to hospitals), removing obstacles which may act as a barrier to users and providing signage to give confidence of direction, destination and journey time or distance. All funding opportunities will be investigated to help deliver improvements to the cycle network (e.g. Sustainable Transport Fund, developer funding etc.)
- 2.99** The policy on cycling is also included as a policy within the Rights of Way Implementation Plan and will be jointly delivered across the ROWIP and LTP.

PRIORITY POLICY

Policy S8 Cycling: Work with stakeholders to improve facilities for cycling so that it is attractive for shorter journeys.

S8 Policy Initiatives

- 2.100** **New cycle routes:** Seek to provide appropriate highway improvements (e.g. on-road cycle lanes or wide nearside lanes) and off-road routes to make commuter cycling a safe and quick alternative to car use. Focus will be on creating a network of joined-up routes catering for a range of cycle skill levels and will capitalise on the potential of the canal system for cyclists.

2 Ensure a Sustainable Future

2.101 Junction and route improvements for cyclists: Promote the provision of filter lanes, advanced stop lines and toucan crossings, where applicable, to prioritise and enhance the safety of cyclists at junctions. Undertake surfacing and lighting improvements on existing key links. Such measures will be incorporated into the design of new or amended highways, as well as retrospectively to existing road junctions, where possible.

2.102 Cycling facilities: Work to provide greater access to cycling facilities (e.g. cycle parking, changing facilities, showers) in town centres, at community facilities (e.g. libraries), service and employment locations. Also support hire & ride schemes.



2.103 Route signing: Greater uptake of cycling can be encouraged through the provision of route signs which state the destination, distance and journey time to selected destinations, to complement other sources of information (see **Chapter 4: Health**).

S8 Related Initiatives	Policy
Developer contributions	B2 Enabling Development
Sustainable infrastructure in new development	B2 Enabling Development
Transport Asset Management Plan	B8 Maintenance
Travel plan initiatives	B7 Business Innovation
Promote opportunities and facilities	H2 Promotion of Active Travel & Healthy Activities
Encourage sustainable travel	Y1 Travel to Education
Safer routes to schools	Y1 Travel to Education

2 Ensure a Sustainable Future

CASE STUDY

Connect2 Crewe to Nantwich Greenway

Working together with Sustrans, Cheshire East is developing a traffic-free cycle route between Crewe and Nantwich. Under the Connect2 initiative, external funding was secured to improve existing paths and create new paths. The route will offer cyclists and walkers a safe route between the two towns whilst avoiding the congested Nantwich Road in Crewe. Part of the route is also available to horse riders. A stakeholder group of local representatives was formed to monitor the project.



Connect2 Sign

Technology & Energy Efficiency

- 2.104** Innovations in vehicle manufacturing such as new materials, more efficient engines and hybrid technology are helping to reduce CO2 emissions, as are alternative fuels. There are a number of alternative fuels available now and on the horizon which can help to reduce vehicle emissions.
- 2.105** However, their contribution to reducing CO2 can vary widely depending on where they are sourced from and how they are manufactured. For example, biodiesel, LPG, electric vehicles and the hydrogen fuel cell are currently available and in development.
- 2.106** By making changes to Council practices related to transport (such as fleet procurement, street lighting and traffic signals) and being actively involved in business and community initiatives to save energy, the Council can reduce the carbon foot print of the authority.
- 2.107** The aim of this policy is to make it clear that the Council is fully supportive of wider changes in transport that make it possible to reduce carbon emissions by technology and energy efficiency initiatives.

2 Ensure a Sustainable Future

POLICY

Policy S9 Technology & Energy Efficiency: Encourage technological development in transport services in partnership with operators and will improve energy efficiency of transport infrastructure.

S9 Policy Initiatives

- 2.108 Hybrid and electric vehicles:** Investigate hybrid and electric vehicle options for fleet vehicles and seek to promote their use more widely in Cheshire East, including provision of charging points where possible, particularly in new developments.
- 2.109 Street Lighting:** Investigate the dimming or removal of unnecessary street lights at certain times to help reduce the Council's carbon emissions.
- 2.110 Low energy technology:** Reduce the level of energy required by our street furniture (e.g. replace traditional illuminated bollards with reflective technology).
- 2.111 Sustainable Materials:** Utilise materials from sustainable and recycled sources. For example, aggregates in highway maintenance projects.

S9 Related Initiatives	Policy
Junction efficiency	B3 Network Management & Improvement
Transport Asset Management Plan	B8 Maintenance
Broadband infrastructure	B7 Business Innovation
Council travel	B7 Business Innovation

2 Ensure a Sustainable Future

End Notes

- a. JMP Review of Corporate Business Travel, 2009
- b. DECC website
- c. DECC website
- d. The Station Champions report 2008 ranked Crewe Station as the 3rd worst in the Country.
- e. NHT ranking for CE satisfaction with pavements and footways was 70th out of 76 local authorities
- f. NHT score for the existing pavement network was 60.66 out of 100, ranking it 76th out of 76 local authorities
- g. NHT Survey allocated a score of 46.05 out of 100 to the condition of footways, ranking it 71 out of 76 local authorities.
- h. NHT Survey allocated a score of scored 55.37, ranking it 33rd out of 76.
- i. The Community Survey 2008 identified that 32% of respondents were either very or fairly satisfied with the quality and provision of cycle ways and cycle routes within the borough.
- j. IHT ranking for the provision of cycling facilities at employment destinations was 61 out of 76.
- k. 4NW Behavioural Change Study (June 2010) Evidence Review – 2nd Edition
- l. Cycling Demonstration Towns – Development of Benefit-Cost Ratios; DfT February 2010 / The Effects of Smarter Choices Programmes in the Sustainable Travel Towns; DfT February 2010 / Valuing the benefits of cycling – SQW / Cycling England (2007).

3 Create Conditions for Business Growth

3 Create Conditions for Business Growth

Sustainable Community Strategy (SCS) Priorities

- 3.1** The SCS has identified four priorities for action to create the conditions for business growth in Cheshire East. These are:
- Harness emerging growth opportunities
 - Provide a leading broadband infrastructure
 - Make the most of our tourism, heritage and natural assets
 - Create a climate attractive to business investment
- 3.2** The SCS explores how transport can, in part, help to deliver these priorities – for example; by ensuring that employment sites are well connected with good transport links and that there is a good standard of accessibility for people to get to work. Also through supporting sustainable access to key visitor attractions, adequate maintenance of the highway network and providing the targeted relief of congestion. These aspects of the LTP recognise the importance of the visitor economy (particularly in market towns).
- 3.3** Cheshire East's emerging Local Development Framework (LDF) sets out a strategy to deliver the Council's ambitious plans for growth to deliver economic prosperity. It will also provide a framework for the Council's Economic Development Strategy (EDS).
- 3.4** The draft EDS sets out the local determinants for economic growth, along with the key transport requirements. It also highlights the principal towns of Crewe and Macclesfield as spatial priorities alongside a focus on "Sustainable Towns".
- 3.5** The EDS and LDF will require a locally responsive approach to transport in the principal towns and keys service centres/market towns. The LTP will enable this responsive approach by setting out a process to deliver a series of "Transport Frameworks for Towns" – full details of this process are discussed in **Chapter 8: Towns**.

Evidence Overview

- 3.6** Good transport is fundamental to the success of the Cheshire East economy. For example it:
- Supports business interaction and access
 - Creates the conditions for the formation of new companies and inward investment
 - Connects people to jobs and widens the labour market
 - Opens up new markets for existing companies
 - Increases competition leading to higher levels of business productivity

3 Create Conditions for Business Growth

- 3.7** The Cheshire East economy is worth £7.8 billion per annum (2007 data) with Cheshire accounting for some 18% of the productivity of the entire North West Region^a. The area's key strengths are its knowledge economy, a high quality of life, its geographical location with train journey times of under two hours to London from its key towns, as well as good connections to international airports and the key centres of Manchester & Liverpool.
- 3.8** The Connecting Cities: Northwest study (2010)^b identified Cheshire East as the third most significant employment centre within the North West, after Manchester and Liverpool. It also identifies Cheshire East as a preferred location for highly-skilled labour to live. Many of these employees do not live locally to their place of work, putting pressure on the demand for housing and transport within and between local authority areas.
- 3.9** The towns of Crewe and Macclesfield combined account for almost 66% of all employment opportunities within the borough. The towns of Wilmslow, Congleton, Knutsford, Nantwich, Sandbach, Handforth and Middlewich between them supplied a further 23.5% of the available employment^c. The borough is also home to regionally significant employment sites such as Alderley Park and Basford.
- 3.10** The visitor economy is an important contributor to businesses and communities within Cheshire East, generating over £600 million per annum for the local economy. The majority of the borough's visitor attractions are located in rural areas with the result that public transport access is often poor.

Stakeholder Opinion

- 3.11** Attendees at the final stakeholder consultation workshop identified creating the conditions for business growth as one of the two key priority themes, alongside the need to create a sustainable future.
- 3.12** They also identified the following priority policy areas:
- Maintenance – Adopt a robust and efficient approach to maintenance to minimise deterioration in the highway network and associated infrastructure assets (e.g. lighting, street furniture etc.).
 - Network Management – Effectively manage the highway network to reduce the level of delay and provide for the needs of all road users including pedestrians, cyclists and motorists.
 - Enabling Development – Seek to enable appropriate new development by supporting transport infrastructure, regeneration and/or behaviour change initiatives that will mitigate the potential impact of development proposals.
- 3.13** In workshop discussions of the transport challenges related to **creating the conditions for business growth**, stakeholders made numerous suggestions as to the possible initiatives the Council and its partners could introduce to meet these challenges. These ranged from road capacity improvements and bypasses, through to development planning policy, working with neighbouring

3 Create Conditions for Business Growth

authorities and improving co-ordination of utilities companies and highway works. Policies and initiatives included in the LTP reflect this consultation feedback wherever possible.

- 3.14** Overall, there was consistently strong stakeholder support for improving highway maintenance, tackling congestion, improving the accessibility of employment sites, and improving cross-boundary linkages.
- 3.15** The recent approval by the Government of the Cheshire and Warrington Local Economic Partnership (LEP) has created an impetus for prioritising sub-regional partnership working and the consultation process for the LTP led to the following additional priority to create the conditions for business growth:
- Strategic Partnerships for Economic Growth - Work with neighbouring authorities, appropriate regional/sub-regional organisations, public transport operators and providers to enhance cross-boundary and strategic investment opportunities in transport.

LTP Objectives

RELEVANT OBJECTIVES

Objective 1 (Congestion): Minimise congestion and improve the overall efficiency of the highway network.

Objective 2 (Accessibility): Improve accessibility to key services (employment, education, health, shopping and leisure) and reduce the need to travel.

Objective 3 (Maintenance): Improve maintenance of the highway and transport network.

Objective 6 (Environment): Protect and enhance the local and global natural environment (including environmental assets such as biodiversity, geodiversity, soils and protected landscapes).

Sustainability Appraisal

- 3.16** Policies and initiatives within this chapter will very often help ensure a sustainable future by encouraging more efficient use of the highway networks for public transport and encouraging business innovation. Equally the policies from the sustainability chapter will often help deliver business growth. However, there are some policy areas that will need detailed consideration of environmental impacts at the implementation stage to ensure that LTP Objective 6 (Environment) to "protect and enhance the local and global natural environment (including environmental assets such as biodiversity, geodiversity, soils and protected landscapes)" is fully addressed.

3 Create Conditions for Business Growth

3.17 The Sustainability Appraisal of policies within this chapter found beneficial effects across a number of sustainability objectives. At least one positive effect was predicted for each individual policy across the following sustainability objectives:

- 1 Biodiversity, habitats, geology...
- 3 Minimise need to travel & sustainable modes...
- 5 Pollution & climate change...
- 6 Resources & green infrastructure...
- 7 Energy...
- 8 Design...
- 9 Towns & local centres...
- 10 Economy & access to employment skills...
- 11 Safety...
- 12 Quality of life...
- 13 Access to leisure countryside...

3.18 Two sustainability objectives were not associated with any beneficial policy effects, these were:

- 2 Flooding...
- 4 Heritage & landscape...

3.19 Although there were no negative effects identified, there was more uncertainty regarding the effects of business growth policies on sustainability objectives compared to other SCS themes (sustainability, health, communities etc). The effect of many of the policies in this chapter will be dependent on the means of implementation. For example, where policy seeks to enable new development through infrastructure improvements, the impact on the environment will be dependent on the scale and location of infrastructure proposals. This means that the environmental effects of proposals will need to be assessed fully when the scheme details are known and options for alternatives, mitigation or compensation investigated where appropriate.

3.20 The Sustainability Appraisal particularly flagged the need to duly consider the approach to implementation of the following policies as these had more uncertain effects identified:

- B1 Strategic Partnerships for Economic Growth
- B2 Enabling Development
- B4 Network Improvement

3.21 The sustainability appraisal process helped ensure that both key themes for business growth and sustainability were given equal priority for the LTP.

3 Create Conditions for Business Growth

Transport Challenges & Policy Solutions

Strategic Partnerships

- 3.22** The objectives of the LTP can be supported by a wide range of partnership working, both existing and potential. Discussion here is centred on partnership working to support strategic connectivity and business growth – on the strategic road and rail network, air travel through Manchester Airport, and across administrative boundaries.
- 3.23** Other specific areas of partnership working are covered in the related chapter – for example, partnerships for road safety are discussed in **Chapter 4: Health**.

Strategic road and rail network

- 3.24** The Highways Agency is responsible for the management of the strategic road network in the UK, including most motorways and trunk roads. The key routes through Cheshire East are the M6, M56 and A556 (T) between M6 J19 and M56 J8.
- 3.25** The M6 and M56 are the most heavily trafficked routes in Cheshire East and experienced a growth of between 6 and 7% between 2005 and 2009. Congestion along these routes causes disruptions to freight, business, commuter and visitor travel, and may pose a threat to the future economic growth of the borough. Much of this growth originates beyond the borough and the Council needs to work with strategic partners to influence the management of traffic along these routes.
- 3.26** There are existing issues around road safety and congestion at the interface of the Highway Agency's network with the local authority road network. Junction 17 at Sandbach is of particular concern.
- 3.27** The A556 (T) between the M6 and M56 has been identified as a key congestion corridor in the Connecting Cities: Northwest study (2010) resulting in poor air quality (at Mere Crossroads) and noise issues for local residents. The Highways Agency has identified this link as a priority in its investment programme and is currently developing proposals for the upgrade of the road subject to funding availability.
- 3.28** The provision of additional housing and employment in Cheshire East will lead to further pressure at these key junctions and links.
- 3.29** Some local communities are calling for new road links to connect to the existing motorway network (e.g. Macclesfield) or for bypasses/ring roads (e.g. Poynton, Congleton) to improve the ease and speed of road travel, or improve the quality of town centres. The Council and strategic partners, such as the Highways Agency and major employers, will need to investigate costs and benefits of community requests through LTP policies for **B2: Enabling Development** or **B4: Network Improvement**.

3 Create Conditions for Business Growth

- 3.30** The number of passengers carried by rail services serving Cheshire East continues to show strong growth. For example Alderley Edge, Sandbach, Holmes Chapel, Chelford, and Disley stations have all seen passenger numbers grow by over 30% in the past two years. Currently a number of rail lines through Cheshire East are operating at or over capacity, including the West Coast Main Line, the Crewe to Manchester line and the Buxton to Manchester line.
- 3.31** Government proposals to build a high speed railway line from Birmingham to London, and then onto Manchester and the North, will be a catalyst for economic growth and encouraging modal shift for long distance journeys, as well as releasing capacity on local rail networks. Studies show that an hourly high speed service calling at Crewe would result in a direct boost of £17m to the local economy with a further £20m of wider economic benefits generated^d. On the other hand, there will inevitably be environmental impacts of the scheme which will have to be effectively mitigated.
- 3.32** There are clear economic benefits associated with increased rail connectivity and capacity both within the North West and with other parts of the country. Dealing with congestion and limited capacity in central Manchester (through the Northern Hub proposals) will be important to unlock improvements in the speed, frequency and reliability of train services across Cheshire East^e.
- 3.33** Other areas of collaboration on rail connectivity include investigation into tram-train opportunities in the north of the Borough, particularly Park & Ride sites from the strategic road network into the city.

Manchester Airport and aviation

- 3.34** Manchester Airport is an important international gateway for Cheshire East's businesses. In 2009 the airport facilitated over 215,000 business trips and 570,000 leisure trips that originated in Cheshire East. Additionally, almost 10% of the airports employees live in the borough^f.
- 3.35** Manchester Airport is a major hub for international freight traffic; its World Freight Terminal accommodates 170,000 tonnes of cargo per year, making it the UK's fourth-largest airport in terms of flown cargo volume. By 2015, the volume of freight traffic through Manchester Airport is expected to increase to 250,000 tonnes per annum – an increase of 47%^g.
- 3.36** Whilst acknowledged as an economic driver for the area, the growth of the airport must be carefully measured against wider criteria, including environmental concerns and the impact of congestion and freight on the borough's roads. Proposals for the expansion of the airports facilities are currently being considered within the Manchester LDF.

3 Create Conditions for Business Growth

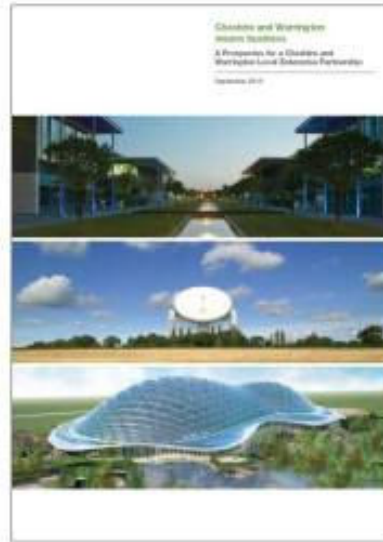
Cross-boundary

- 3.37** Cheshire East has strong travel to work links with neighbouring authorities (particularly with Greater Manchester) and it is important for the Council to examine transport across all modes without the constraints of administrative boundaries.
- 3.38** The South East Manchester Multi Modal Study (known as SEMMMS) examined the key cross boundary movements between Cheshire East and Greater Manchester.
- 3.39** The area of the study contains a large proportion of high-skilled labour, commuting to high-productivity jobs in Manchester and along the south Manchester corridor between Cheshire East, Stockport and Manchester Airport. The congestion that occurs lengthens the effective distance between labour markets and businesses, placing a limitation on the skills available, increasing cost and reducing the potential for business-to-business activity.
- 3.40** The study concluded that reducing congestion in and around the study area is an integral component for unlocking economic growth. This includes congestion on the A6 through Disley and local road links in Wilmslow and Handforth. A further recommendation of the wider SEMMMS strategy was the provision of a bypass for Poynton which, along with improvements to the A523, will be crucial in improving north-south links to/from the Macclesfield area.
- 3.41** One of the barriers to improving public transport access within the study area is the heavy congestion causing lengthy and unreliable journey times on the local road network.
- 3.42** The study recommended the construction of new road capacity to relieve congestion and allow existing road space to be re-allocated for sustainable modes such as public transport. Work to date has concentrated on the provision of a new relief road linking the A6 at Hazel Grove to the M56 Manchester Airport Spur (the SEMMMS major road scheme).
- 3.43** This scheme would improve access to Manchester Airport from the east and south, enhance access to jobs and opportunities and remove congestion – particularly in Poynton, Handforth and Wilmslow. It would also remove unnecessary freight traffic from local roads, improve public transport operations, reliability and services, and facilitate the future provision of a bypass for Poynton.

3 Create Conditions for Business Growth

3.44 An assessment of the wider economic benefits of the scheme predicts that the scheme would generate an additional £10m of value to the Cheshire East economy.

3.45 Other important cross-boundary partnerships will develop through the emerging Local Enterprise Partnerships. These will be important in securing inward investment into key infrastructure projects that unlock economic growth. For example, significant opportunities for private sector led sustainable economic growth in the Liverpool-Manchester corridor (of which Cheshire East forms a significant part), through the delivery of the proposals collectively branded as "Atlantic Gateway". These seek to drive international trade; create a globally connected gateway; create sustainable infrastructure for a less carbon intensive economy; attract and retain talent; and create new green infrastructure. Better links to Liverpool and Manchester Airport are complementary to the "Atlantic Gateway" proposals and will also require effective cross-boundary partnerships.



3.46 The Economic Development Strategy and Visitor Strategy will be essential in guiding the LTP implementation plans and areas of focus for cross-boundary initiatives.

3.47 Working with public transport operators across the borough will also be important to ensure that opportunities to link areas of high job growth with areas of high unemployment are not missed. Public transport operations are discussed in **Chapter 2: Sustainability**.

PRIORITY POLICY

Policy B1 Strategic Partnerships for Economic Growth: Work with neighbouring authorities, appropriate regional/sub-regional organisations, public transport operators and providers to enhance cross-boundary and strategic investment opportunities in transport.

B1 Policy Initiatives

3.48 **Strategic road network:** Work with the Highways Agency to improve the management of traffic on the motorway and trunk road network in Cheshire East through supporting proposals for 'Active Traffic Management' and

3 Create Conditions for Business Growth

by taking a partnership approach to solving safety and congestion problems at motorway junctions. Also seek to ensure that the local communities concerns are captured and reflected in the Highways Agency's designs (e.g. for the proposed improvements to the A556 (T)).

3.49

Strategic rail infrastructure: Support national initiatives to improve rail connectivity. This includes the Northern Hub capacity improvement scheme and a high speed rail network serving the North West. Explore with Government and scheme promoters the opportunities for high speed services to call at principal Cheshire East stations. Also work with Association of Greater Manchester Authorities (AGMA) to carry out feasibility studies of tram-train opportunities in the north of the Borough, particularly Park & Ride sites from the strategic road network into the city centre.



3.50

South East Manchester Multi Modal Study (SEMMMS): Continue to work with local authority partners to investigate affordable ways of delivering the SEMMMS major road scheme.

3.51

Local Enterprise Partnerships (LEP): Seek to gain support through the Cheshire & Warrington LEP for its emerging transport priorities that unlock economic growth, such as the Crewe Green Link Road scheme and Middlewich Eastern Bypass and Middlewich railway proposals. Crewe Green Link Road has been identified by stakeholders as a potential strategic priority for the LEP.

3.52

Manchester Airport Group (MAG): Co-ordinate ongoing liaison and partnership working with MAG to agree areas of common interest. This will include the airport's Ground Transport Strategy (including any proposals for demand responsive transport or new conventional bus services) and its emerging role as a transport hub.

3.53

Visitor economy partnerships: Work with partners such as the Peak District National Park Authority, Visit Peak District, Peak Connections, and the Visit Chester and Cheshire Tourist Board to develop and promote sustainable transport options for accessing the borough's tourist attractions.

3 Create Conditions for Business Growth

Visitor travel planning, website improvements, visitor passes and package tickets for large events will all benefit visitor destinations and help encourage public transport use.

B1 Related Initiatives	Policy
Transport assessment of strategic site proposals	S1 Spatial Planning
Neighbouring authority developments	S1 Spatial Planning
Strategic joint working	S2 Climate Change – Mitigation & Adaptation
Partnership working (public transport)	S3 Public Transport (Integration & Facilities)
Rail service specifications	S4 Public Transport (Service Levels & Reliability)
Reinstate passenger services	S4 Public Transport (Service Levels & Reliability)

Enabling Strategic Development

- 3.54** Housing, employment sites and infrastructure have vital roles to play in supporting economic growth. The capacity and suitability of transport links (in relation to housing demand and access to markets and labour) will be important factors for investment choice. As such, in order for economic development aspirations to be achieved, it is equally important for the Council to fully understand the transport implications of proposed strategic site allocations.
- 3.55** The long term spatial development of the borough will be defined within the LDF and – as described in **Chapter 2: Sustainability**, Policy S1 Spatial Planning – the Council will seek to minimise the future need to travel by focusing most new developments in locations where there is a good range of housing, jobs, shops and services already accessible by public transport, cycling and walking. The LDF will also need to consider the future vitality of market towns and villages and consider the need for new development and population increase to support jobs and services – in these circumstances the LTP will support development in the most sustainable rural locations and will be used to ensure that developers contribute to appropriate transport infrastructure to help support sustainable transport options.
- 3.56** The majority of new employment and housing developments will require new transport infrastructure (ranging from new road links and improved junctions through to pedestrian or cycling facilities) to deliver them sustainably and avoid causing traffic problems on the highway network.

3 Create Conditions for Business Growth

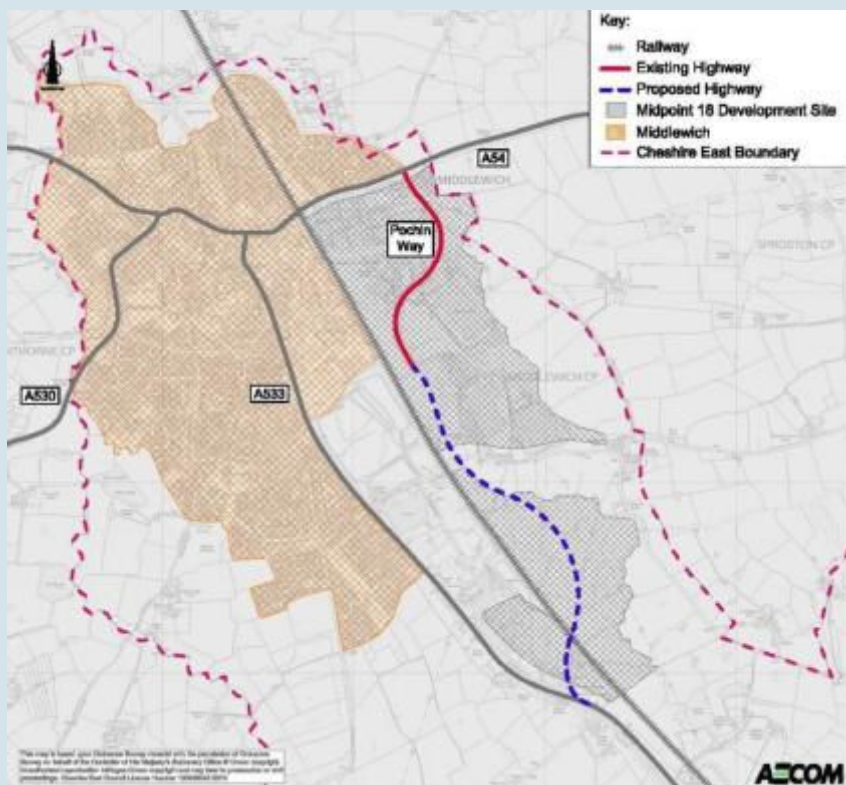
- 3.57** A small number of strategic sites will require significant major scheme infrastructure improvements to unlock the full potential of the sites. For example, Crewe's "Strategic Framework for Economic Growth 2010-2030" identifies as a priority measures to unlock the full potential of the Basford East strategic development site. The provision of the Crewe Green Link Road Scheme and capacity improvements to Crewe Green Roundabout and the A500 Barthomley link will be necessary to achieve this, along with improvements in public transport provision. Similarly, proposals for the South Macclesfield Development Area will also require significant infrastructure investment to fully release their potential.
- 3.58** In certain locations, research has identified strategic need for new infrastructure - for example, following extensive modelling of Crewe town centre traffic flows as part of a major town centre redevelopment proposal it was identified that a new road link between the east / west Dunwoody Way and Flag Lane in the town centre would relieve several junctions that currently experience congestion. Part of this link has been constructed through private funding, however, its partially complete status severely restricts any further growth within the town centre.
- 3.59** In the past, development sites have been assessed on their individual impact on the transport network. This can leave smaller developments contributing very little to the upgrade of the transport network – though the cumulative impact of many small developments over time will be significant. To address this issue, a new approach is needed that enables the Council to understand the cumulative impact of all development across a defined area and adopt appropriate contributions (dependent on the development size, location etc.) that enable the overall costs of improved accessibility and connectivity to be fairly shared between developers.
- 3.60** To complement Policy S1 *Spatial Planning*, developers are often required to prepare and implement travel plans. These aim to demonstrate how the impact of a development can be reduced by encouraging individuals to travel in a more sustainable way – such as by car sharing, using public transport, walking and cycling.
- 3.61** The development plans of neighbouring local authorities also need to be fully understood – to consider and plan for the transport impact of developments that may be outside the Cheshire East boundary.
- 3.62** The LDF will consider the options for appropriate development opportunities and ensure that the transport implications are assessed. LTP policy will support this process, not least with an assessment of the impact of new development on transport infrastructure. Key considerations will include those listed as congestion "hotspots" in the Network Management & Improvement paragraphs and the issues raised in the Transport Frameworks for towns.

3 Create Conditions for Business Growth

CASE STUDY

Enabling Development: Middlewich Eastern Bypass

Midpoint 18 is a 320 hectare sub-regional employment site located to the east of Middlewich town centre. A development brief and supplementary planning guidance have been adopted by the Council to guide the future development of the area. The Council commissioned an Appraisal and Delivery Strategy for the site in 2009.



Middlewich Eastern Bypass

The development site would be accessed via an extension to Pochin Way as a 2.2 km section of road passing through the site extending to Booth Lane to the South.

The scheme would provide economic and transport benefits to Middlewich and the wider area, including:

- Creation of 143,000m² of business development and around 2800 jobs
- Environmental benefits as traffic routes away from Middlewich Town Centre, improving conditions for residents and visitors and enhancing the retail experience
- Reduction in congestion on sections of the A54

The scheme is important to the delivery of the economic growth of Middlewich as a sustainable town and key service centre.

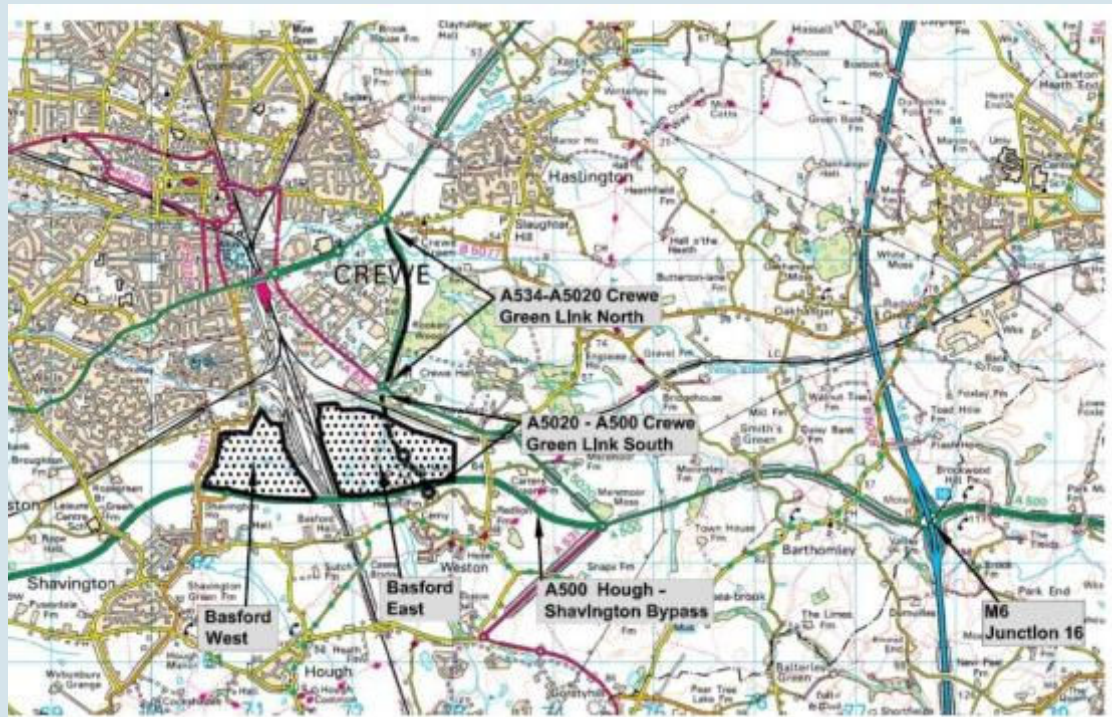
3 Create Conditions for Business Growth

CASE STUDY

Enabling Development: Crewe Green Link Road (South)

For the full strategic potential of the Basford Strategic Regional Site to be realised, the completion of the Crewe Green Link Road (CGLR) will be necessary. The first phase (North) was completed in 2004 and has played an important role in facilitating employment growth east of the town centre. Completion of CGLR South is an important component in delivering Crewe's vision for economic growth to 2030 - the aim of which is to see Basford East firmly established as one of the UK's largest science-focused business parks.

Basford Strategic Regional Site & Crewe Green Link Road proposals:



Basford East and Crewe Green Link Road

The CGLR South will support sustainable economic growth and ensure that Crewe has the infrastructure needed as a key regional transport gateway. It will provide a link between areas of deprivation to the north of Crewe and employment opportunities to the south east. It will reduce traffic congestion, increase freight efficiency and reduce the impact of traffic on the local environment and local community.

3 Create Conditions for Business Growth

PRIORITY POLICY

Policy B2 Enabling Development: Seek to enable appropriate new development by supporting transport infrastructure, regeneration and/or behaviour change initiatives that will mitigate the potential impact of development proposals.

B2 Policy Initiatives

- 3.63 Facilitate sustainable development:** Provision for walking, cycling, public transport and recharging points for hybrid or electric vehicles will be encouraged for large new developments in order to reduce carbon emissions. This will be complemented by requiring developers to produce, implement and monitor travel plans.
- 3.64 Developer contributions:** Develop an appropriate approach to developer contributions that enables improvements to both local and strategic transport provision. The approach will consider highways, public transport, walking, cycling, rights of way, air quality and noise implications. It will be linked to an assessment of likely traffic and transport impact of strategic site proposals and the estimation of cost of transport infrastructure/initiatives required to mitigate impact. The process of developing the tariff will also consider the economic viability of development and the amount of contributions that will be sought for this and other requirements - such as affordable housing and community facilities.
- 3.65 Major infrastructure for new development:** Work with developers, land owners and funding bodies to deliver the infrastructure that unlocks new development opportunities. Current infrastructure requirements include the Crewe Green Link Road, capacity improvements on the A500 Barthomley link, Crewe Green Roundabout and the provision of Middlewich Eastern Bypass, along with a suitable highway link between the A536 and A523 to open up the South Macclesfield Development Area. Infrastructure schemes of this scale will require full detailed assessment of environmental impact and will only proceed where impact on the environment, biodiversity, agricultural land, landscape etc. can be avoided, adequately mitigated or appropriate compensation agreed.
- 3.66 Transport & regeneration:** Consideration of transport initiatives that would help support proposals for area improvement and regeneration as set out in the LDF, such as upgraded transport facilities and public realm improvements.

3 Create Conditions for Business Growth

B2 Related Initiatives	Policy
Transport assessment of strategic site proposals	S1 Spatial Planning
Influencing travel behaviour	S2 Climate Change – Mitigation & Adaptation
Bus stop condition	S3 Public Transport (Integration & Facilities)
New commercial opportunities	S4 Public Transport (Service Levels & Reliability)
Footway and footpath improvements	S7 Walking
New walking routes	S7 Walking
Pedestrian crossing points	S7 Walking
New cycle routes	S8 Cycling
Junction and route improvements for cyclists	S8 Cycling

Network Management & Improvement

- 3.67** If Cheshire East is to grow its economy sustainably and improve productivity, it will be important to ensure that places are well connected and that the transport network operates as efficiently as possible. The Traffic Management Act 2004 places a network management duty on local authorities to ensure the expeditious movement of traffic, and to co-operate with other authorities to the same end.
- 3.68** In order to consider the requirements for network management and network improvement, an understanding of how the network functions in terms of commuting, congestion, roadworks and risk is needed.

Commuting Patterns

- 3.69** Data extracted from the 2001 Census gives an understanding of the key travel to work movements within and outside of the borough. Data will be reviewed when the outputs of the 2011 Census become available.
- 3.70** At the time of 2001 census, Cheshire East experienced a net outward flow of over 7,500 trips per day^h, with the most common employment destinations outside of the borough being Manchester centre, Manchester Airport, Stockport centre and Stoke-on-Trent.

3 Create Conditions for Business Growth

- 3.71** Of those travelling into the borough to work, the most common origins were Northwich and Winsford, Stockport and Newcastle-under-Lyme. There were significant two-way flows to Cheshire West and Chester, Newcastle-under-Lyme and Stoke-on-Trent, whilst Cheshire East offered significant employment opportunities to the population of Staffordshire Moorlands.
- 3.72** Within Cheshire East, journeys between Congleton and Macclesfield, and Nantwich and Crewe key centres had the greatest number of movements. A number of significant employment sites also generated a high number of 'local' commuting trips, though many also have wide employee catchment areas. Astra Zeneca at Alderley Edge, for example, draws high numbers of employees from Macclesfield, Wilmslow, Handforth and Congleton.
- 3.73** Access by car is particularly important from rural areas to reach key services such as retail, leisure, employment and healthcare.

Congestion

- 3.74** The 2001 Census indicated that car ownership in Cheshire East was high, with 89% of households having access to at least one vehicle and 12% of households having access to three or more vehicles. It also identified that the most common mode of transport to employment was the private car (either as the driver or passenger).
- 3.75** The number of vehicles using the boroughs roads has remained relatively stable since 2004. However, the majority of the road network was not designed to accommodate the current number of vehicles competing for its use and congestion occurs when the demand for road space exceeds supply – particularly within town centres. In addition, parts of the borough suffer from limited route and mode choice.
- 3.76** Public perception of road congestion in Cheshire East is high. However, the degree of congestion is far less than that experienced elsewhere, with an average delay (during the morning peak period) of approximately 2 minutes. This is a global figure and masks a small number of congestion 'hotspots' within the borough.
- 3.77** The level of 'stress' on the road network is a measure of how much traffic a road is carrying compared to its maximum capacity. As roads approach and exceed their capacity, the reliability of journeys decrease and the number of accidents and delays increase. Network stress generally occurs between the 8-9am and 5-6pm peak commuting hours, however, major events in the tourism calendar can also cause congestion on the road network – such as the RHS Flower Show at Tatton Park or the Cheshire Show at Tabley.

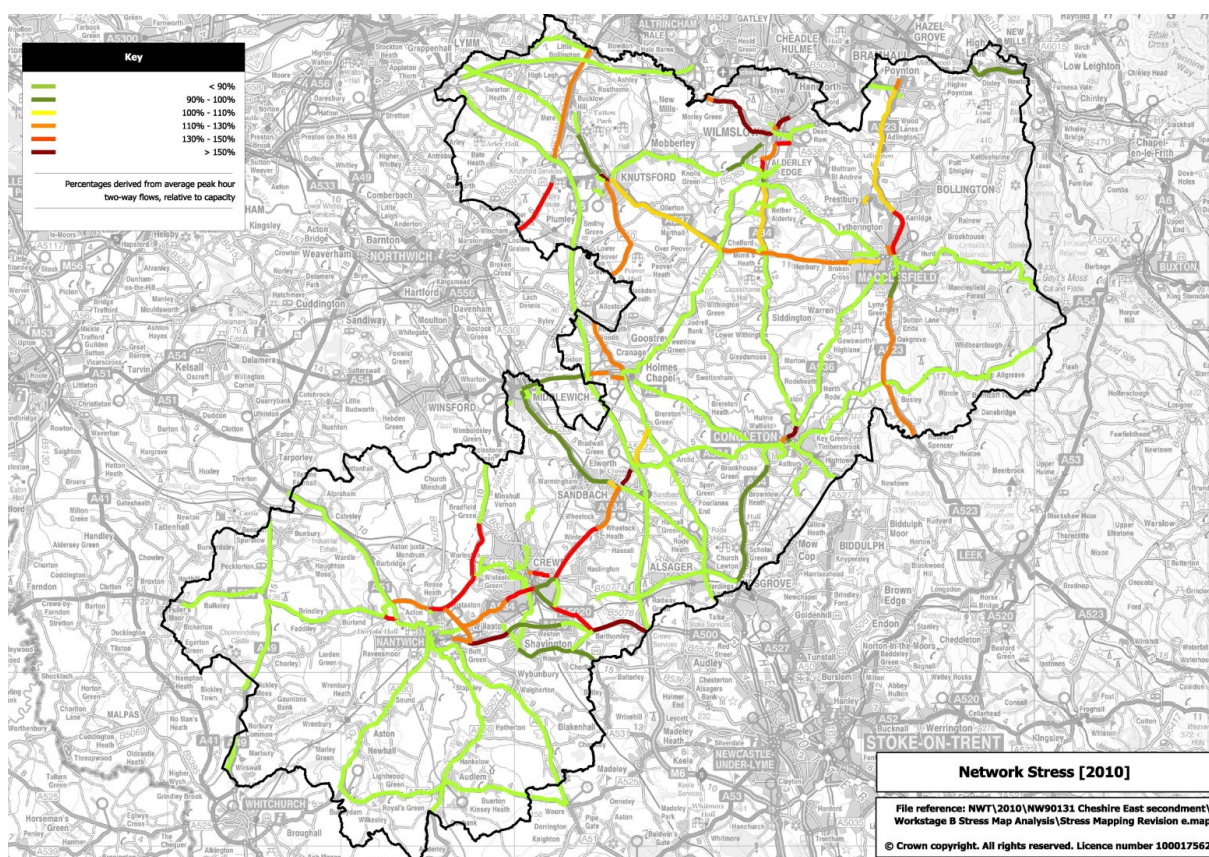
2010 Highway Network Stress in Cheshire East

- 3.78** Evidence shows that the most congested parts of the road network are in the town centres. However, notable key 'hotspots' on the inter-urban network include:

3 Create Conditions for Business Growth

- Crewe Green Roundabout, Crewe
- A500 Barthomley Link, Crewe
- Parts of the A530, including Alvanley Roundabout
- Parts of the A523 from the end of the Silk Road through to Poynton
- The A34 (Clayton Bypass) around Congleton

3.79 Town centre congestion and options for tackling issues will be addressed at a local level through the development of a series of Transport Frameworks for towns, as set out in **Chapter 8: Towns**. The transport frameworks for towns will also help identify strategic schemes of particular local importance.



Network Stress

3.80 Congestion results in people spending ‘unproductive’ time queuing; it has a real impact on business efficiency and productivity, and causes unreliability and poor performance of public transport. Furthermore, congestion has been shown to increase the levels of pollutants emitted by vehicles, and can have life-threatening effects near hospitals on ambulance routes.

3.81 Before new highway capacity is created there is a need to demonstrate that the existing highway network is operating as efficiently as possible through cost-effective improvements – for example, by altering traffic signal timings or instigating minor changes to the design of a junction. It will also be important to demonstrate that the level of demand for additional road capacity has been

3 Create Conditions for Business Growth

minimised – for example by encouraging the use of public transport, car sharing, walking or cycling - and that environmental considerations have been assessed (e.g. Impact on agricultural land, green belt, biodiversity, etc.).

- 3.82** Changes to the highway network, however minor, have the potential to cause, or to exacerbate air quality and noise issues associated with transport. In particular, any changes which affect traffic volumes, traffic patterns, or increase congestion could have an impact.

Management of roadworks and traffic

- 3.83** The New Roads and Street Works Act 1991 (NRSWA) places a duty on local authorities to co-ordinate works on the highway, with the aim of minimising disruption to traffic. This is currently achieved through a system of “Street Works Notices” whereby the utility companies inform the Council of their intention to work, and the Council then responds to co-ordinate their works accordingly.

- 3.84** The Council also works to ensure that users of the highway are informed about forthcoming roadworks (i.e. through an internet based mapping tool which provides users with a graphical display of current and planned works on the highway network) and that strategic diversion routes are agreed in advance with the Highways Agency and emergency services (e.g. alternative local road routes to be used when there are incidents on the motorway).



Road resurfacing

- 3.85** Across the Borough in 2009/10, our records show that there were 596 ‘Emergency Works’ and 2,626 ‘Urgent Works’ undertaken by Utility companies. This accounts for approximately 1/3rd of all works that occur on our road network.
- 3.86** Travel to work and freight flows on the highway network do not respect local authority highway boundaries and changes made on a route will only pay dividends if supported with complementary action by neighbouring local authorities. A route management approach, whereby local authorities together agree common strategies for key corridors, can overcome this problem (see case study).

3 Create Conditions for Business Growth

CASE STUDY

Route Management

In order for the 'Route Management' approach to be effective it is necessary that a standard approach to understanding and assessing the performance of highway corridors is followed by highway authorities, including methods for identifying any challenges to their current and future operation. To assist with this Cheshire East and Cheshire West and Chester Councils undertook a pilot study in 2009 to test and refine regional guidance on route management studies.

The focus of the study was the A51/A500 route, which links Chester to the north-west, at the junction with the A55, to the M6 Motorway in the south-east at Junction 16. The route is primarily rural and passes through or around a number of villages along its route, before passing Nantwich to its east and Crewe to the south.

The study concluded with identifying six route outcomes for which joint local authority action will be required over the coming years:

1. Improved understanding of existing travel on the route and the potential for change in the future
2. Reduced carbon emissions from the use of the route
3. Reduced collision rates and severity on the route
4. Improved management of freight movements on the route
5. Reduced congestion on and across the route
6. Reduced congestion on the Barthomley Link

Network Risk

- 3.87** Projections show that by 2050, the Northwest region will have wetter and warmer winters and drier and warmer summers. This will require an element of pre-planning for the transport network in order to maintain effective network links. For example, there may be a need to review the materials and drainage systems required for the roads, or the type of fleet vehicles used on public transport routes (e.g. improved air conditioning or heating). Sections of the transport network already suffer from weather related issues. As routes become unavailable for the passage of vehicles, journeys are disrupted and the level of congestion on the wider network is increased. Existing locations at risk include:

3 Create Conditions for Business Growth

Location	Weather related issue	Frequency
A51 Alpraham	Flash Flooding (river)	Once or twice per year on average.
A34 Scholar Green	Flash flooding (river)	Once per year on average
A537 Cat and Fiddle	Snow and Ice	Two or three times per year on average
A54 Wildboarclough	Snow and Ice	Two or three times per year on average

Locations of flash flooding, snow and ice risk

- 3.88** A separate risk issue relates to “road-rail incursions” – there are 12 locations identified in Cheshire East where there is a high risk of vehicles leaving the carriageway and entering the railway with potentially fatal consequences¹.

PRIORITY POLICY

Policy B3 Network Management: Effectively manage the highway network to reduce the level of delay and provide for the needs of all road users including pedestrians, cyclists and motorists.

B3 Policy Initiatives

- 3.89** **Network and route planning:** Develop a functional hierarchy of roads based on road-user need (e.g. consider the requirements of emergency services, public transport, heavy goods vehicles (HGVs), commuters, pedestrians, cyclists, residents, etc.) to help determine priorities for network management; and work with neighbouring local authorities to ensure consistent cross-boundary “route management” of freight and commuter routes. Monitor the level of traffic and congestion on the network to inform development control policy and influence spatial planning. Engage with local communities regarding route management, network and route planning, directly and through the development of Transport Frameworks for Towns (see policy T1).
- 3.90** **Junction efficiency:** Seek to improve the operation of existing signalised and un-signalised junctions to smooth traffic flow, enable provision for pedestrians and reduce CO2 impact of stop-start driving, through minor alternations to signal timings or junction geometry.

3 Create Conditions for Business Growth

- 3.91 Manage network disruption:** Effectively co-ordinate and manage roadworks, minimise disruption from major events, and plan effective strategic diversion routes, in co-operation with the police, Highways Agency and neighbouring authorities. Arrangements for managing network disruption will be set out, in detail, within the Network Management Plan.
- 3.92 Highway clutter:** Undertake a review of existing highway signage and pedestrian guard railing across the borough with the aim to reduce the amount of unnecessary signage and associated clutter (particularly on routes through the Peak District National Park and other areas of heritage or landscape importance).
- 3.93 Driver information:** Seek to provide further functionality and continue to develop the range of information on roadwork's and delays that is provided electronically. Including making this information available to 3rd party developers to develop commercial software.
- 3.94 Road-rail incursion:** Develop a programme of remedial work at high risk sites across the borough and seek appropriate developer contributions where proposals are close to high risk sites.
- 3.95 Prepare for climate change:** Examine the elements of the highway network most susceptible to climate change (and extreme weather conditions) and develop suitable mitigation or contingency plans where possible, while avoiding negative impacts on the environment or biodiversity.

POLICY

Policy B4 Network Improvement: Work to improve the operation of the highway network for all users through provision of new and enhanced infrastructure.

B4 Policy Initiatives

- 3.96 Highway capacity improvements:** Investigate highway widening and new road building where alternative options are unable to deliver the aspirations of the community to alleviate traffic and congestion problems in key locations (for example, near hospitals or industrial estates). This may include working with the private sector to offset the cost of providing new infrastructure against the value of new developments and with the Highways Agency to offset the cost of solving existing junction problems. Large scale highway capacity improvement schemes will require full detailed assessment of environmental impact and will only proceed where impact on the environment, biodiversity, agricultural land, landscape etc. can be avoided, adequately mitigated or appropriate compensation agreed.

3 Create Conditions for Business Growth

- 3.97** **Junction upgrades:** Investigate potential capacity enhancements and the need for upgraded facilities for pedestrians and cyclists at key junctions, both where design of junction is out-dated and where new developments will impose additional traffic pressure at junctions.
- 3.98** **Bus priority measures:** Explore opportunities to develop bus priority measures on the highway network to reduce delays and improve reliability of services.

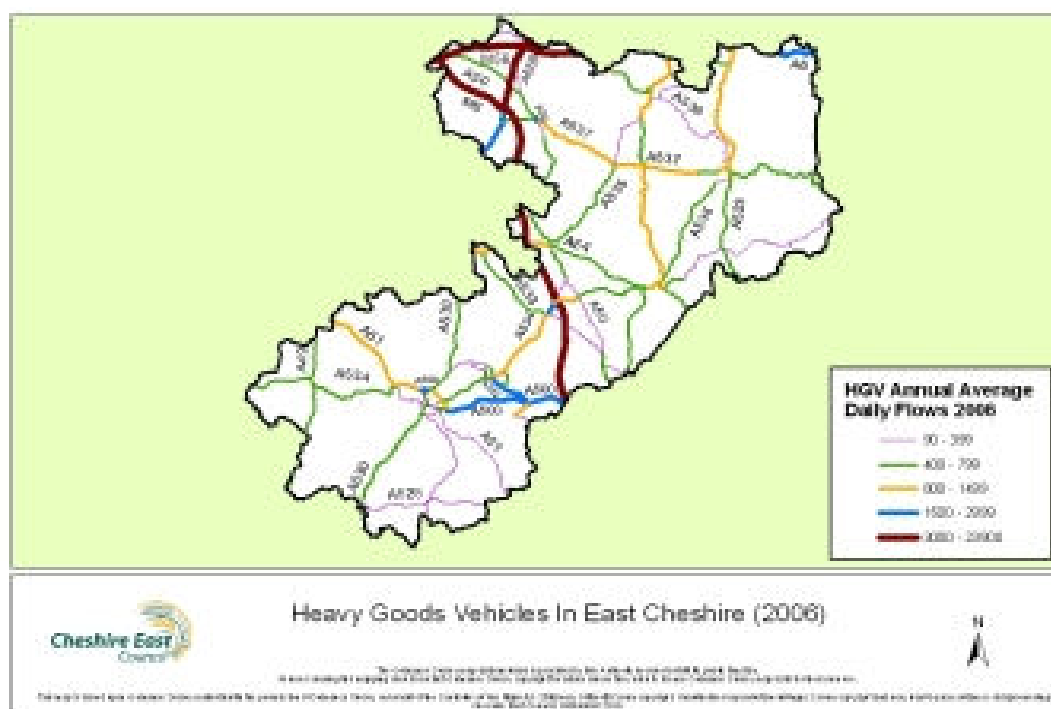
3 Create Conditions for Business Growth

B3 & B4 Related Initiatives	Policy
Multi-media information	S5 Public Transport (Information & Marketing)
Footway and footpath improvements	S7 Walking
New walking routes	S7 Walking
Pedestrian crossing points	S7 Walking
New cycle routes	S8 Cycling
Junction and route improvements for cyclists	S8 Cycling
Low energy technology	S9 Technology & Energy Efficiency

Freight

3.99 For Cheshire East to continue to be an attractive place for business investment the ease by which freight traffic can move around the borough will be an important issue – however, freight traffic potentially has a negative impact on communities (poor air quality, noise, community severance and visual intrusion). An appropriate balance between quality of life issues and economic prosperity needs to be struck.

3.100 The roads with the highest HGV flows in the borough are illustrated below:



3 Create Conditions for Business Growth

- 3.101** Crewe acts as a major ‘hub’ for road freight traffic – this mirrors the recent economic development of Crewe as a major regional distribution centre (due, in part, to Crewe’s excellent road links to the national transport network).
- 3.102** In recent years there has been strong growth in the use of the rail network to transport freight. Transport of freight by rail is more sustainable than by road and can lead to a reduction in the total number of miles travelled by HGV. The potential exists to capitalise on the growth in rail freight and the rail connectivity of Crewe. Similar opportunities exist in Middlewich.
- 3.103** Commercial operators are best placed to inform the Council of freight industry markets and logistics – partnership working is required to determine the most appropriate routing for HGVs whilst taking into consideration quality of life issues for residents.
- 3.104** Many freight transport operators rely on satellite navigation systems to inform their route choices. These systems are fed information via digital datasets which contain details of all local highway authority roads and restrictions. The Council has a role to play to ensure that these navigation datasets are accurate.
- 3.105** Levels of congestion are also a key issue for the road freight induction and – through its network management obligations – the Council is responsible for planning and implementing diversion routes in the event of an incident (e.g. motorway closure) or planned maintenance. As such a number of other policy areas within this chapter will be relevant for freight, particularly Policy B3 Network Management and Policy B4 Network Improvement.

POLICY

Policy B5 Freight: Work with freight operators and organisations to establish appropriate freight routes, delivery routines and driver practices to minimise congestion and pollution.

B5 Policy Initiatives

- 3.106** **Freight partnership:** Set up and promote a freight partnership for road hauliers to address concerns around routing, driver behaviour and delivery times.
- 3.107** **Freight routes and delivery access:** Ensure routes and access arrangements are appropriately maintained and signed.
- 3.108** **Rail freight transfer:** Support initiatives by developers, businesses, Network Rail and operators, to promote integration of road and rail freight.

3 Create Conditions for Business Growth

B5 Related Initiatives	Policy
Strategic joint working	S2 Climate Change – Mitigation & Adaptation
National behavioural campaigns	H6 Road Safety (Education)
Driver technique	H4 Air Quality

Parking

- 3.109** The Council operates and manages all on-street car parking and a large number of off-street car parks across the borough. In addition, there are a number of commercially operated car parks that have an important role in town centre provision.
- 3.110** Parking policies can influence the prosperity of town centres by acting as an attractor, or deterrent, to car access for shopping, leisure, or employment. Town centres face increasing competition from out-of-town retail and business parks and other towns that offer high levels of free parking – this means that a careful balance has to be achieved with pricing and timing of parking policies to ensure that town centres continue to remain attractive.
- 3.111** Effective management will help support a town's economy by ensuring efficient use and appropriate supply of car parking spaces; whereas, ineffective management or over-provision can exacerbate problems of town centre congestion. For example, excessive parking charges in town centres may result in motorists searching for free on-street parking in adjacent residential areas – resulting in increasing traffic circulation and problems for residents.
- 3.112** From the perspective of the user, parking space availability is also related to the level of “turnover” achieved – i.e. the number of people who use the space during a day. Employees often require long-stay parking for the full duration of the day, whereas shoppers may only require parking for a few hours, and deliveries may only need the ability to park for 5 minutes. In many circumstances, the prime parking locations are those in the heart of the town centre, which means that the demand for parking spaces can be very high. The mechanisms used to regulate and balance these competing needs include parking restrictions, enforcement, time limits, and charges.
- 3.113** Park and ride services may also have a role to play in locations where demand for parking is very high, space is limited, and where congestion is a factor.
- 3.114** The national policy framework for the development of parking strategy recognises the need to move away from the current dependence upon the car and the importance of promoting alternative modes of travel, particularly walking, cycling and public transport. Parking management (availability, cost, and quality) is recognised as an important factor that influences mode and destination choice.

3 Create Conditions for Business Growth

- 3.115** The way in which parking control and management is provided needs to reflect the likely demand for parking in the centres and should follow a consistent methodology across the borough which considers issues such as traffic circulation, congestion and air quality.
- 3.116** There are currently different approaches to the management of off street car parking associated with the three former borough councils – however, a LTP Parking Strategy “daughter document” is to be prepared in the first implementation plan period that will unify the Council’s approach to parking.

POLICY

Policy B6 Parking: Adopt a consistent and structured approach to parking supply, management and tariffs, seeking to balance the issues of sustainability, quality of life and economic vitality.

B6 Policy Initiatives

- 3.117** **Provision of high quality parking:** Invest in the quality, safety and security of off-street car parks in appropriate locations. Balance the needs of a range of users including local residents, disabled people, businesses and suppliers of goods and services.
- 3.118** **Retail parking:** Maximise the availability of short-stay car parking spaces in central locations and encourage long-stay business parking in areas less crucial for retail customer access. A careful balance is required for car park pricing in towns to avoid impacting on town centre viability. Examine the potential for Park and Ride provision to reduce town centre congestion in the principle towns of Crewe and Macclesfield.
- 3.119** **Resident parking:** Consider the needs of local residents and support the introduction of Residents Parking Zones, where appropriate. Parking solutions for residents may also help address wider issues associated with car parking management at businesses, schools and in town centres.
- 3.120** **Parking management:** Ensure a consistent charging and enforcement framework across the borough which includes flexibility to reflect local pressures (e.g. congestion or air quality) and which encourages sustainable travel choices (e.g. public transport, walking and cycling).

3 Create Conditions for Business Growth

B6 Related Initiatives	Policy
Facilities at public transport hubs	S3 Public Transport (Integration & Facilities)
Intelligent ticketing solutions	S6 Public Transport (Fares & Ticketing)
Low energy technology	S9 Technology & Energy Efficiency
Accessibility audits	C3 Access for All
Car park security	C4 Crime& Terrorism

Business Innovation

- 3.121** Businesses rely on efficient access to suppliers, markets and workforce. Travel is a fundamental aspect of operations within many organisations. Through business innovation, there are opportunities to realise financial, productivity and carbon efficiencies by reducing the need to travel and influencing the travel behaviour of employees.
- 3.122** In Cheshire East the average distance travelled to work is 10.4km and between 59.6% and 69.3% of total trips to work are undertaken by car, illustrating significant scope to influence the travel behaviour of employees.
- 3.123** The public sector has committed to be at the forefront of the transition to a low carbon economy and local authorities have a pivotal role to play. Cheshire East Council has committed to be a leader in reducing carbon emissions from its own operations, and business and staff commuting practices are a visible symbol of the Councils commitment to achieving these aims.
- 3.124** Travel plans provide a mechanism to manage both business travel and commuting. A travel plan is a strategy to manage access in a sustainable way and seek opportunities to reduce the need to travel. Measures might include car share schemes, improvements to cycling facilities and promoting flexible working practices, such as remote access and video conferencing. Successful travel plan uptake and monitoring of implementation following planning applications can be achieved through dedicated staff resource - proposals for staff resource funding may be considered as a basis for a funding bid through the sustainable transport fund.
- 3.125** Global companies view access to high-speed telecommunications as a critical factor in determining new investment. The opportunity cost of businesses failing to effectively deploy ICT in the North West is estimated to be 3% of GVA per annum, between £3 billion and £4 billion per annum.

POLICY

Policy B7 Business Innovation: Support businesses to reduce carbon emissions from transport and minimise car use.

3 Create Conditions for Business Growth

B7 Policy Initiatives

- 3.126 Broadband infrastructure:** Work in partnership with the private sector to promote next generation broadband throughout all parts of the borough so that it is easier to do business anywhere and provide a greater range of services on-line.
- 3.127 Travel plan initiatives:** Work to encourage existing employers to develop travel plans to encourage more sustainable business and staff commuting practices. This may include working with neighbouring organisations to develop area-wide initiatives (e.g. business parks).
- 3.128 Council travel:** Set an example to other large employers by developing initiatives to reduce the need to travel and influence the travel behaviour of employees for both business travel and the journey to work.

B7 Related Initiatives	Policy
Strategic joint working	S2 Climate Change – Mitigation & Adaptation
Influencing travel behaviour	S2 Climate Change – Mitigation & Adaptation
Access to employment, skills and education	C2 Accessibility of services

Maintenance

- 3.129** The highway network underpins the safety, efficiency and reliability of movement of goods and people. The SCS recognises the importance of the condition of the highway network by promoting the production of a Transport Asset Management Plan.
- 3.130** The highways network in Cheshire East is an asset worth more than £2.2 billion. The network encompasses 1,686 miles of roads, 494 bridge structures, 28,000 signs and 37,000 street lights.
- 3.131** The Council has a legal duty to maintain and repair the condition of the highway network and it undertakes this duty across two broad areas:

- Structural maintenance – concerned with preserving the integrity of the infrastructure and improving it to meet changing demands.
- Operational maintenance – a more reactive response focussed on maintaining the highway in a safe and sound condition suitable for the use of vehicles, cyclists, pedestrian, equestrians and all other road users; and



Street light maintenance

3 Create Conditions for Business Growth

to ensure that the highway is kept in an acceptable condition environmentally.

- 3.132** The current maintenance backlog inherited from the former Cheshire County Council is put at £88m for roads and £22m for footways. Based on current funding levels, roads in Cheshire East can be expected to be renewed every 122 years and footpaths every 277 years.
- 3.133** The condition of the road network relates closely to the level of damage and injury compensation claims the Council is liable for. The number of successful compensation claims will increase as the network deteriorates resulting in even less finance to invest in the network. In 2009/10 the council received 546 claims relating to highway condition. Typically, 90% of these claims are successfully defended by the council.
- 3.134** In addition to regular network inspections, the Council's response to public reporting of 'defects' to the highway network is important for good customer service, to reduce accidents and to reduce the number of successful compensation claims against the authority. The Council has developed an online system to make reporting of highway defects easier.
- 3.135** The durability of reactive and temporary road repairs to 'potholes' is often poor. The Council has recently trialled the use of a 'jet patching' technique to provide a more cost effective and longer lasting solution.

PRIORITY POLICY

Policy B8 Maintenance: Adopt a robust and efficient approach to maintenance to minimise deterioration in the highway network and associated infrastructure assets (e.g. lighting, street furniture etc).

B8 Policy Initiatives

- 3.136** **Transport Asset Management Plan:** Develop a 'whole' life cycle asset management plan approach to consider both the initial infrastructure cost and subsequent maintenance (based on the "Well Maintained Highways" National Code of Practice). The plan will apply to all of the key transport assets which the Council is responsible for including footways, cyclepaths, carriageways (including cycle lanes), highways drainage, street lighting, bridges, traffic signals, signs and public rights of way.
- 3.137** **Defect reporting and response times:** Adopt relevant new technologies for the reporting of highway network defects and develop standards/policies to deliver a timely and effective response to defects, to reduce the number of claims and improve customer service.
- 3.138** **Temporary road repairs:** Increase the durability and lifespan of temporary road repairs through the use of innovative technologies and materials.

3 Create Conditions for Business Growth

B8 Related Initiatives	Policy
Sustainable materials	S9 Technology & Energy Efficiency
Quiet surfacing systems	H5 Noise
Street and footpath lighting	C4 Crime & Terrorism
Targeted access improvements	O1 Targeted Action for Older People

3 Create Conditions for Business Growth

End Notes

- a. Aecom & Ecogen, Connecting Cities Northwest, 2010
- b. Aecom & Ecogen, Connecting Cities: Northwest, 2010
- c. NOMIS Annual Business Enquiry 2008
- d. Steer David Gleave, High Speed Rail Evidence Review and Implications for the Northwest, June 2010
- e. Network Rail, The Northern Hub Transforming Rail in the North March 2010.
- f. Manchester Airport Employee data, 2008/9.
- g. Atkins, A6 to Manchester Airport Relief Road, Major Scheme Business Case, September 2010.
- h. Aecom & Ecogen, Connecting Cities: Northwest, 2010
- i. Road Rail Incursion Report, 2010

4 Drive Out the Sources of Poor Health

4 Drive Out the Sources of Poor Health

Sustainable Community Strategy (SCS) Priorities

- 4.1** The SCS highlights three priorities for action to improve the health of communities in Cheshire East:
- Target actions to reduce heart disease and cancer
 - Tackle the impact of alcohol misuse on individuals and society
 - Focus local actions on the wider determinants of health
- 4.2** These priorities aim to tackle the main causes of poor health in Cheshire East. They seek to both address existing problems and develop preventative health solutions for the future.
- 4.3** Transport can have a significant influence on residents' health, well-being and quality of life, by presenting opportunities to engage in healthy activity, minimise pollution levels and improve road safety.
- 4.4** Accessibility of healthcare and leisure opportunities also has the potential to be a wider determinant of health (although it should be noted that accessibility issues are addressed in **Chapter 5: Communities**).

Evidence Overview

- 4.5** The SCS states that residents in Cheshire East have a higher life expectancy than the national average. Circulatory disease remains one of the main causes of premature death, accounting for 41% of deaths under 75 years old and there are health inequalities across the borough, with life expectancy being lowest in Crewe^a.
- 4.6** A clear link between a lack of exercise and certain diseases has been identified – those people with an 'unhealthy' lifestyle being more at risk from heart disease and cancer^b. Estimates suggest that physical activity reduces the risk of premature death by 20-30% and gives up to a 50% reduced risk of major chronic diseases, such as heart disease, cancer, stroke and type 2 diabetes^c.
- 4.7** The Department of Health have estimated that the average cost to each existing Primary Care Trust (PCT) area of treatment for long-term illnesses is £5 million per annum. The cost of absenteeism, premature death and treatment nationally is between £8 and 10 billion^d.
- 4.8** Data collected through the National Travel Survey 2006, concluded that the distance that people walk and cycle has declined significantly in the last 3 decades^e. Reversing this trend will help to achieve the priorities of the SCS in terms of health, wellbeing, and community cohesion.
- 4.9** The Chief Medical Officer for England stated that "for most people, the easiest and most acceptable forms of physical activity are those that can be incorporated into everyday life. Examples include walking or cycling instead of travelling by

4 Drive Out the Sources of Poor Health

car”^f. This is supported by a Health Select Committee report which concluded that “of these lifestyle changes, perhaps the single most important concerns transport”^g.

- 4.10** Air pollution harms human health, particularly in those already vulnerable because of their age (young or old) or existing health problems^h. In some areas of Cheshire East, emissions from road traffic have been found to be above recommended levels, and a total of 12 Air Quality Management Areas (AQMAs) have been declared.
- 4.11** Exposure to high levels of environmental noise has been shown to cause annoyance, stress, anxiety, sleep loss and has been linked to more serious conditions such as hypertension and cardio-vascular diseaseⁱ. In addition to sites on the M6 and A556(T) (which are the responsibility of the Highways Agency), nine areas in Cheshire East have been identified as a priority for noise action, primarily along the most-heavily trafficked roads.
- 4.12** The repercussions of road accidents on society also have to be considered. There are obvious health and well-being implications for individuals (physical, psychological and financial). There is also a direct cost to society in terms of healthcare provision related to long-term injury and loss in productivity to the economy as a whole. Tackling the causes of road accidents (such as reckless driving, alcohol impairment, and highway design) are therefore important aspects of transport and health improvement.

Stakeholder Opinion

- 4.13** Stakeholders identified the following key policy areas needed to support improved health:
 - Public Rights of Way & Green Infrastructure – Protect and enhance public rights of way and transport related green infrastructure and endeavour to create new links where beneficial for health or access to green spaces.
 - Promotion of Active Travel and Healthy Activities – Work in partnership to promote walking, cycling and horse riding as active travel options and healthy activities.
 - Road Safety (Engineering) – Improve road safety through highway design improvements at collision blackspots.
- 4.14** Strong stakeholder support was given to investments in public rights of way and green infrastructure to encourage active and healthy lifestyle choices. The most popular initiatives associated with this policy area were to improve routes that link to key services and seek appropriate financial contributions from developers to create quality infrastructure.
- 4.15** Stakeholder support was also given to promoting active travel, focusing health improvement initiatives in areas of low life expectancy and concentrating preventative health services in deprived neighbourhoods.

4 Drive Out the Sources of Poor Health

- 4.16** A "Road Safety Strategy" daughter document is being developed which will identify the key road safety challenges in the borough and examine the most effective measures to reduce casualties. This may result in re-assessment of policies in relation to this evidence. Analysis of the parish and town plans also indicated that road safety enforcement was a key issue in a number of communities.

LTP Objectives

RELEVANT OBJECTIVES

Objective 5 (Health): Support active and healthy lifestyles.

Objective 6 (Environment): Protect and enhance the local and global natural environment (including environmental assets such as biodiversity, geodiversity, soils and protected landscapes).

Objective 7 (Safety): Improve road safety for all users and increase personal and community safety.

H: Sustainability Appraisal

- 4.17** The Sustainability Appraisal of policies within this chapter found beneficial effects across a number of sustainability objectives. At least two positive effects were predicted for each individual policy across the sustainability objectives below:

- 1 Biodiversity, habitats, geology...
- 3 Minimise need to travel & sustainable modes...
- 5 Pollution & climate change...
- 6 Resources & green infrastructure...
- 7 Energy...
- 11 Safety...
- 12 Quality of life...
- 13 Access to leisure countryside...

- 4.18** Five sustainability objectives were not associated with any beneficial policy effects, these were:

- 2 Flooding...
- 4 Heritage & landscape...
- 8 Design...
- 9 Towns & local centres...
- 10 Economy & access to employment skills...

4 Drive Out the Sources of Poor Health

- 4.19** These objectives were largely associated with neutral effects from health policies of this chapter. No negative effects were identified. In conclusion, the Sustainability Appraisal of the policies within this chapter highlighted either beneficial or neutral effects.

Transport Challenges & Policy Solutions

- 4.20** Many of the initiatives set out in the chapter – to target health action, promote active travel, enhance public rights of way and tackle air quality – will be beneficial to people of all ages and will be particularly applicable to **Chapter 6: Young People** and **Chapter 7: Older People**.

Targeted Health Action

- 4.21** There is a need to target health action (geographically and/or demographically) to achieve the most effective outcomes.
- 4.22** Geographically, the proportion of adult population classified as obese is higher in Crewe and Nantwich than both the North West and England averages. Whereas, Macclesfield had a lower level of obesity than both the North West and England averages.
- 4.23** The life expectancy of both males and females was lowest in Crewe and evidence suggests that there is a large inequality gap in the rate of cardiovascular disease (when analysed by deprivation index or geographical areas) in Cheshire East, which contributes towards a wide gap in life expectancy. Cardiovascular disease accounts for 41% of deaths under 75 years old and is one of the main causes of premature death within the borough^j.
- 4.24** Demographically, a target group for health action is the borough's increasingly older population. The incidence of disability increases with age^k, as do general restrictions in mobility. The main activity of relevance here will be walking, the importance of which for recreational purposes increases as age increases; for the 45-59 age bracket, 3 times as many people participate in walking than any other activity, rising to 5 ½ times in the over 70 age group.
- 4.25** The level of childhood obesity in Cheshire East overall is lower than both the North West and England averages. Nevertheless, promotional activities are often particularly effective if targeted towards children as a means to attract a larger audience: "go back to the schools, talk to the children about the benefits, they'd go home and pester the parents...It's just getting them into it"^l. Further, it is recognised that people who have been active during their working life are more likely to remain active after retirement^m.
- 4.26** The health agencies can help with promotion to build active travel and healthy activity into everyday lives; Let's Get Moving research found that 84% of respondents thought that it was a 'fairly good' or 'very good' idea for GPs to prescribe outdoor exercise instead of prescription drugs if the GP thought the exercise would remedy the patient's condition.

4 Drive Out the Sources of Poor Health

- 4.27** The Council and NHS (as organisations with statutory responsibility for public health) aim to tackle identified health problems through action targeted at specific groups of the population, to reduce the number of people in a poor state of health. Where possible, preventative action will be undertaken with the aim of overcoming health problems before they start.
- 4.28** Through this targeted health action, the Council aims to improve the health of residents in Cheshire East and so contribute towards improvements in their quality of life, helping people to retain their independence, stay healthy and have access to good quality housing, transport, leisure, entertainment and to family and friends.

POLICY

Policy H1 Targeted Health Action: Work with stakeholders to identify communities, groups or areas in most need; and seek to identify targeted solutions that lower obesity rates and increase physical activity.

H1 Policy Initiatives

- 4.29** **Health partnerships:** Support partner activities to improve the health and well-being of residents – e.g. work with NHS on health promotion and preventative measures, work with GPs to facilitate “prescriptions for walking”.
- 4.30** **Target high risk groups:** Focus activity (such as active travel promotion, provision of infrastructure, facilities and training, and infrastructure improvement) on high risk groups, namely: children and young people, older people, disabled people, and geographical areas of low life expectancy.

H1 Related Initiatives	Policy
Transport assessment of strategic site proposals	S1 Spatial Planning
All initiatives within S7 Walking	S7 Walking
All initiatives within S8 Cycling	S8 Cycling

Promotion of Active Travel & Healthy Activity

- 4.31** Across Cheshire East, 12.4% of adults undertake the recommended 30 minutes of activity at least 5 days a weekⁿ. Levels of activity differ across the borough, being highest in the Poynton Local Area Partnership and lowest in Crewe where 79.5% of adults take no regular exercise^o.

4 Drive Out the Sources of Poor Health

- 4.32** Women are generally less active than men although again this varies geographically. There is a gradual reduction in participation rates with age. The differences in participation within Cheshire East's white and non-white populations are more evident than on a national level (although the small sample size in ethnic communities used in the assessment will have distorted these results).
- 4.33** The Department of Health's *Choosing activity*^p report asserts that a culture shift is needed if physical activity levels across the country are to increase. The promotion of active travel and other healthy activities will be needed to assist in that culture shift.
- 4.34** Focus groups show that one of the major challenges limiting the use of the public rights of way network is lifestyle: one delegate commented "It's the way of life...people don't have the time, they come home from work and have to catch up with the jobs"^q. The challenge is to encourage people to use walking and cycling as a daily alternative to travel by private vehicle, particularly for shorter journeys.
- 4.35** The lack of cycle route information is identified, by consultees and through the NHT Survey (2009), as a barrier to greater uptake of cycling in Cheshire East. Equivalent route information is also needed to promote walking.
- 4.36** Many people find the impetus they need by going on an organised walk, ride, volunteer conservation work or other event. Such activities are organised by the Ranger Service, through Greenleaves social enterprise, through the Walking for Health initiative, school walking buses, and community-led outings such as local rambling groups, the U3A and cycling groups.
- 4.37** Promotional activities will also benefit the health of visitors from the North West region, as Cheshire East "represents the countryside on the doorstep of people living in the urban centres such as Manchester"^r. At the same time such visitors will bring benefits to the visitor economy of Cheshire East. The visitor economy sector aims to attract 'non-traditional' and younger people to rural Cheshire^s, groups which are currently underrepresented in visitor numbers and therefore don't presently benefit from the healthy activities that the countryside can offer.
- 4.38** Whilst considering promoting the number of people partaking in healthy activity, there is a need to consider how people get to where they will walk, cycle or horse ride. There is huge scope to reduce, through promotional work, the use of the car as a means to access the countryside. In doing so, the accessibility of green space to those without a car will also be improved. Promotional work can be undertaken with relatively small budgets and staff resources. Funding bids to the Sustainable Transport Fund, or other possible funding sources, should be developed in conjunction with PCT/NHS partners to capitalise on potential health benefits.
- 4.39** In order to promote routes to the public, the Council needs to be certain that there are public rights to use those routes. The Council is required to keep the Definitive Map and Statement, which form the legal record of public rights of

4 Drive Out the Sources of Poor Health

way, under continuous review, updating them with changes. However, the Definitive Map and Statement have not been consolidated since they were first published after the 1949 National Parks and Access to the Countryside Act.

- 4.40** The policy on promotion of active travel & healthy activities is also included as a policy within the Rights of Way Implementation Plan and will be jointly delivered across the ROWIP and LTP.

PRIORITY POLICY

Policy H2 Promotion of Active Travel and Healthy Activities: Work in partnership to promote walking, cycling and horse riding as active travel options and healthy activities.

H2 Policy Initiatives

- 4.41** **Promote opportunities and facilities:** Highlight opportunities for active travel and healthy activity by promoting new and existing facilities using appropriate media such as signage, walking and cycling maps, leaflets, events, internet sites and other technologies. This will focus on routes and sites that are accessible by modes of active travel or public transport (such as important leisure routes or key employment locations) and will involve working with health agencies to promote active travel and other activities as a lifestyle choice for all ages amongst residents and visitors. Close working with the Peak District National Park Authority and other visitor organisations to provide helpful information and promote a consistent and warm welcome to visitor attractions.
- 4.42** **Organised walks, rides and activities:** Undertake and support organised walks, rides and other activities which encourage people to partake in healthy activities that they may not otherwise have the confidence or knowledge to do.
- 4.43** **Public information on the public rights of way network:** Enhance the accuracy of the Definitive Map and Statement and other records to provide up to date information in an accessible format.

4 Drive Out the Sources of Poor Health

H2 Related Initiatives	Policy
Influencing travel behaviour	S2 Climate Change Mitigation & Adaptation
All initiatives within S7 Walking	S7 Walking
All initiatives within S8 Cycling	S8 Cycling
Facilitate sustainable development	B2 Enabling Development
Travel plan initiatives	B7 Business Innovation
Defect reporting and response times	B8 Maintenance
Community groups	C1 Community
Encourage sustainable travel	Y1 Travel to Education

4 Drive Out the Sources of Poor Health

CASE STUDY

Walks for All Leaflet

In May 2010, the Council published a new 'Walks for All' leaflet. The leaflet details 10 walking routes across the borough which are suitable for those with children, pushchairs, wheelchairs and those with limited mobility.

Details of path surfaces and gradients, gates and gaps, public transport, parking, toilets and refreshment facilities are provided for each walk.

The booklet was developed with the help of local groups and individuals who advised on the content and layout to ensure that the correct information is presented to the reader in a clear format so that they can decide if a route is suitable for them.



Public Rights of Way & Green Infrastructure

- 4.44** The National Institute for Health and Clinical Excellence note that “[i]t is unreasonable to expect people to change their behaviours when the environment discourages such changes”^t. The World Health Organisation also noted that improvements to the environmental determinants of physical activity appear to have greater potential than interventions at a personal, primary care level^u.
- 4.45** It is clear that there won't be a significant increase in active travel and people undertaking healthy activity if the infrastructure on which that can be done is not provided. In other words, the policy of promoting of walking, cycling and horse riding will only be effective if developed in tandem with improvements in the routes along which people will walk, cycle and horse ride. These routes

4 Drive Out the Sources of Poor Health

may be parts of the highway network used by pedestrians and cyclists (which are addressed more specifically in **Chapter 2: Sustainability**), but they will also often consist of Cheshire East's "green infrastructure" – which includes public rights of way, canal towpaths, other pathways, parks, the Peak district National Park, and the wider countryside. Green infrastructure is defined in the Local Development Framework as "a network of multi-functional green space, both new and existing, both rural and urban, which supports the natural and ecological processes and is integral to the health and quality of life of sustainable communities"^v.

4.46 A major component of the borough's green infrastructure is the public rights of way network. In 2010, Cheshire East's network of public rights of way, shown in **Figure 4.1**, totalled 1935 km or 1202 miles, equivalent to nearly $\frac{3}{4}$ of the length of the road network.

4.47 The network, however, offers a smaller proportion of routes available for horse riding and cycling than the national average.

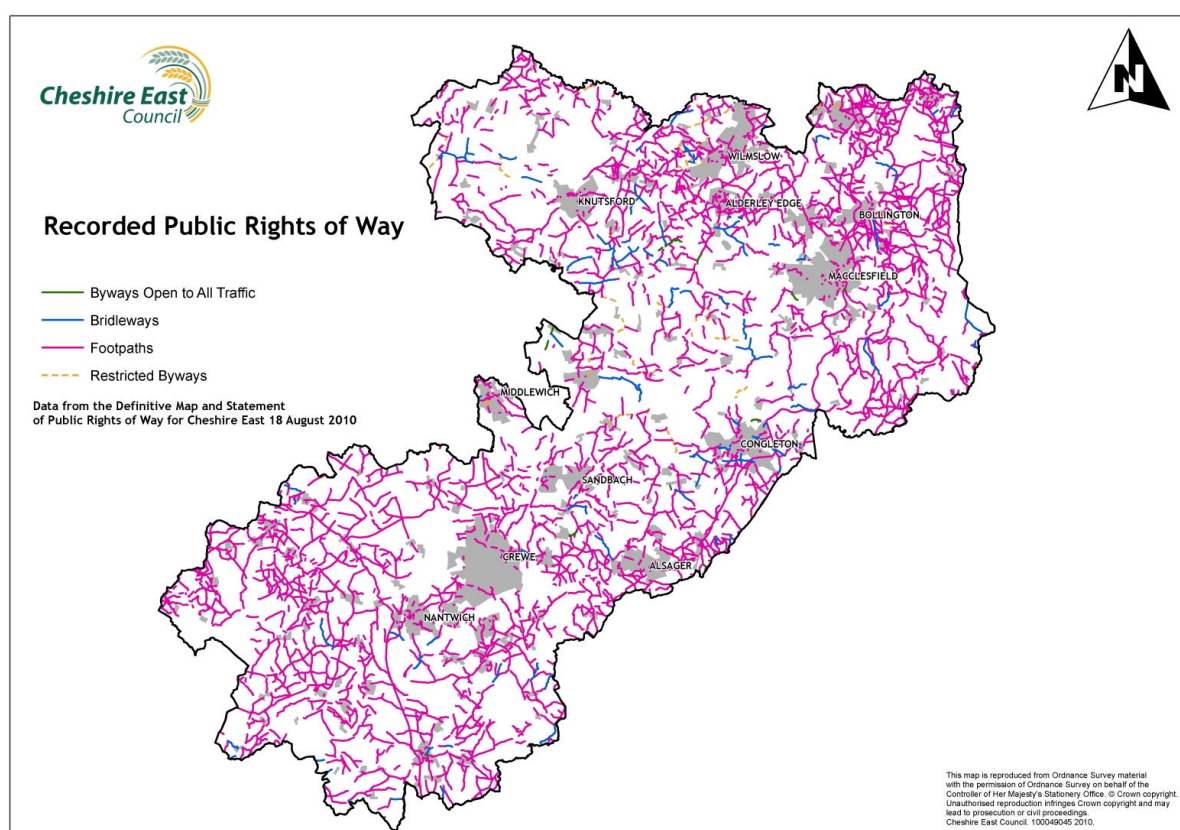


Figure 4.1: Recorded public rights of way network in Cheshire East

4.48 Further, the provision of public rights of way is not even across the borough and specific areas have limited access, such as from the towns of Crewe, Macclesfield and Middlewich in to the surrounding countryside. Overall, public rights of way and green infrastructure are less concentrated in the south of Cheshire East than elsewhere in the borough.

4 Drive Out the Sources of Poor Health

- 4.49** The Rights of Way Improvement Plan details further evidence of the existing network of public rights of way and green infrastructure. The degree to which the green infrastructure of the borough is accessible for disabled users is relatively unknown, however, but thought to be limited. Disabled people are recognised as amongst the 40% of the population who are ‘missing visitors’ to the countryside^w.
- 4.50** It is estimated that 18% of the UK population have a disability^x, which equates to a population of 64,926 within Cheshire East^y. Further, it has been estimated that one in every 3 people either has a disability or has a close relative or friend who is disabled^z. When it is considered that outings to the countryside and green spaces are most often made in groups rather than alone, it is evident that a large proportion of the population could be excluded or dissuaded from using green infrastructure if it is inaccessible to disabled users. Further, improving access for disabled people brings benefits to all users, in particular those with pushchairs or young children, those who walk with dogs and the older population.
- 4.51** The public rights of way network is recognised within the Cheshire East Draft Visitor Economy Strategic Framework as a valuable asset for the tourism industry^{aa}. Future development of the network needs to be undertaken sympathetically, taking account of location and local community aspirations.
- 4.52** A use and demand survey for the Countryside Agency^{ab} found that only 4% of people going into the countryside used public transport to get to a site or route whereas the National Institute for Health and Clinical Excellence (NICE) recommends that managers of green infrastructure should “[e]nsure public open spaces and public paths can be reached on foot, by bicycle and using other modes of transport involving physical activity. They should also be accessible by public transport”.
- 4.53** The perception of safety and security has an influence on whether people use green infrastructure. It is important that the design of new and improved infrastructure takes into accounts such concerns.
- 4.54** Future planning for green infrastructure needs to be delivered in line with policies and everyday decisions made across the Council, in planning (through the Local Development Framework and Open Space Strategy) and in highway design. Existing green infrastructure must be protected; while new green infrastructure must be well designed and strategically planned so that it is integrated into the urban and rural environments. All routes should be maintained to a reasonable standard to encourage on-going use of the infrastructure.
- 4.55** The aim of this policy is to maintain and improve the provision of green infrastructure, the connectivity of the network, to improve the provision for off-road cyclists and horse riders and the network’s accessibility for all users, including those with a disability. The development of routes to key destinations, including leisure and tourism sites, local services and access points to public

4 Drive Out the Sources of Poor Health

transport, should encourage residents to take advantage of healthy travel within their everyday lives, as well as contribute towards a reduction in air and noise pollution.

- 4.56** Some projects will be based on land within the authority's ownership, others will involve working with other landowners. For example, Cheshire East boasts a network of canals that are managed by British Waterways and which offer green corridors. The towpaths of these canals are available for walking and cycling as both leisure activities and as transport options; many of the canals provide links within and between towns. The planning and delivery of projects will be undertaken in partnership with local community groups.
- 4.57** The policy on public rights of way and green infrastructure is also included as a policy within the Rights of Way Implementation Plan (ROWIP) and will be jointly delivered across the ROWIP and LTP.

PRIORITY POLICY

Policy H3 Public Rights of Way & Green Infrastructure: Protect and enhance public rights of way and green infrastructure and endeavour to create new links where beneficial for health, safety or access to green spaces.

H3 Policy Initiatives

- 4.58** **Sustainable access to green spaces:** Aim to improve access for all members of society, including disabled people, to and within green infrastructure, including the public rights of way network, town parks, public open space, the Peak District National Park and country parks.
- 4.59** **Link key services:** Seek to improve links to key services (e.g. schools, community centres and tourism destinations) by routes and green infrastructure such as canal towpaths. Investments will include improving surfacing and signage and creating links where gaps exist in the network.
- 4.60** **Leisure routes for cyclists, horse riders and walkers:** Endeavour to create and enhance leisure routes for cyclists, horse riders and walkers on the public rights of way network and highway network.
- 4.61** **Litter, environmental health, safety and security:** Encourage users to reduce litter and improve environmental health, safety and other security concerns through education and clean-up campaigns.
- 4.62** **Country parks, town parks and public open space:** Ensure adequate maintenance and improvements of land within the Council's ownership that is used for formal and informal public access and recreation, at a local level and sites which are tourism destinations.

4 Drive Out the Sources of Poor Health

H3 Related Initiatives	Policy
Various initiatives within S7 Walking	S7 Walking
Various initiatives within S8 Cycling	S8 Cycling
Facilitate sustainable development	B2 Enabling development
Developer contributions	B2 Enabling Development
Defect reporting and response times	B8 Maintenance
Local minor infrastructure improvements	C1 Community
Community groups	C1 Community

CASE STUDY

Nantwich Riverside Loop

Together with British Waterways and a number of local community groups, the Council developed the Nantwich Riverside Loop; a 5 km (3 mile), waymarked, circular walk.

It is hoped that the Nantwich Riverside Loop will encourage both residents and visitors to explore on foot and cycle further than they previously would have done, progressing from urban park land in the Riverside to more open countryside. The Loop will introduce members of the public who would not normally use the public rights of way network or canal towpaths to the facilities that are freely available to them both in the local area and elsewhere in Cheshire East.



4 Drive Out the Sources of Poor Health

Air Quality & Noise Pollution

Air Quality

- 4.63** Medical evidence shows that exposure to nitrogen dioxide has both long- and short-term health effects. Long term exposure to nitrogen dioxide has been shown to effect lung function and respiratory systems, and has been linked to asthma. Short term exposure to higher levels can irritate the eyes and lungs, cause shortness of breath. Health impacts are likely to be more severe in sensitive individuals (elderly, young and those with underlying health conditions). Other pollutants, such as particulates have been shown to have no safe threshold, and as such any reduction in exposure to these pollutants will potentially have health benefits for a wider population.
- 4.64** It is therefore important to reduce air pollution in areas where exposure occurs, and provide high quality information to sensitive individuals allowing people to alter their lifestyles to reduce the effects of pollution.
- 4.65** The Environment Act 1995 requires that Local Authorities undertake a regular assessment of air quality within their area. Ambient levels of seven key pollutants are assessed against health based objectives^{ac}.
- 4.66** Where concentrations of pollutants are exceeding (or likely to exceed) these objectives, at locations where members of the public will be exposed, the Council is required to declare an Air Quality Management Area (AQMA) and develop an Air Quality Action Plan (AQAP) which outlines measures to reduce concentrations, and work towards meeting air quality objectives.
- 4.67** Through the programme of Local Air Quality Management, the Council has determined the main pollutant of concern is Nitrogen Dioxide, generated primarily from road vehicles. In areas where people live in close proximity to busy, or congested roads, exposure to unacceptable levels of nitrogen dioxide has been found to occur, and as a result there are 12 AQMA's declared within the borough (2010) covering some areas along the following roads:
- A6 Disley
 - A556 Mere
 - A50 Knutsford
 - A523 Macclesfield
 - A34 Congleton (two areas)
 - A54 Congleton
 - M6 (Junction 18) Cranage
 - A534 / A5022 Sandbach
 - A534 Nantwich
 - A534 Crewe
 - A532 Crewe

4 Drive Out the Sources of Poor Health

- 4.68** There are further areas where levels of nitrogen dioxide have been found to be of concern, and the Council is currently undertaking a more detailed assessment in these areas to determine if it is necessary to declare additional AQMA's.
- 4.69** To address the specific air quality challenges, the Council will adopt a strategic approach to local air quality management aimed at improving air quality in AQMA's and across the borough. Preparing an Air Quality Strategy and Air Quality Action Plan as a complimentary "daughter document" to the LTP has a number of advantages:
- it embeds air quality into the transport planning process – recognising that the primary source of air pollution in the borough is road traffic and that actions to reduce air pollution are invariably focused on traffic;
 - By adopting an exposure reduction approach to limit harmful effects on health; it ensures an integrated approach, where-benefits and risks are considered throughout land use and transport planning; and,
 - Avoids any unintended impacts from one policy area to another.
- 4.70** The Air Quality Action Plan will outline a suite of measures aimed at improving air quality, and will show on a cost-benefit basis the likely impact of measures designed to achieve improvements to air quality.
- 4.71** Alongside the LTP process, the Council will also seek to manage the emission impacts of new development, and help deliver wider sustainable development goals, through the preparation and adoption of supplementary planning guidance on based on a Low Emission Strategy (LES). The guidance will aim to accelerate the uptake of low emission technologies and reduce transport related emissions from proposed development.

Noise

- 4.72** Noise from road transport has been shown to rank highly as a source of annoyance. In addition, noise from vehicles on the highway is not subject to nuisance controls available to the Councils. Similarly to air quality, noise has the greatest impact at properties located closest to busy roads, however there can also be significant impacts further afield.
- 4.73** The non-auditory health impacts of environmental noise are well documented. Noise annoyance has been shown to have an impact on overall health and wellbeing, in particular causing sleep disturbance, increased stress and anxiety. It is important to ensure that where exposure is excessive, steps are taken to mitigate the impact.
- 4.74** When a new road is constructed, or existing roads substantially altered there is a requirement to assess the noise impact of that road, and provide noise insulation, or compensation to properties that qualify under the Noise Insulation Regulations 1975.

4 Drive Out the Sources of Poor Health

- 4.75** On a broader scale, and in accordance with the Environmental Noise (England) Regulations 2006, noise maps have been produced for major roads, railways, airports industrial sites in large agglomerations (initially with populations greater than 250,000).
- 4.76** For the second round of mapping, due to commence in 2012, in addition to re-mapping the areas covered in the first round, roads having more than 3 million vehicle passages per year and railways with more than 30,000 train passages per year are to be mapped. All agglomerations with a population of over 100,000 will also be mapped. The actual roads, railways and agglomerations to be mapped in the second round will be subject to confirmation based on the most up to date data available at the time.
- 4.77** Cheshire East has 9 roads (non-Highways Agency) which have been identified as First Priority Locations through the first round mapping exercise:
- Middlewich – A54 eastern and western extents of town and towards Sproston Green.
 - Crewe – A530 near Wistaston
 - Plumley – A556 (various properties between Lostock Gralam and M6.
 - Knutsford – A50 north of town
 - Alderley Edge – A34 south of Harden Park
 - Wilmslow – A538 north of town
 - Macclesfield – A523 Gas Road
 - Macclesfield – A523 near Butley
 - Adlington – A523 (also railway priority).
- 4.78** Following identification of priority locations on the M6, the Highways Authority is required to assess the areas, and consider what measures (if any) can be taken in each area to aid the management of noise.
- 4.79** Transportation noise impacts will be managed through local implementation of the Environmental Noise Directive and the following measures:
- Implementation of national legislation which provides façade mitigation (e.g. double glazing, sound barriers, etc.) for qualifying properties; and
 - The ongoing improvement to road surfaces with low noise surface technologies.

Air quality & noise challenges

- 4.80** A number of key challenges have been identified which have an impact on air pollution and/or transport noise.
- 4.81** One of the primary challenges within Cheshire East is the high volume of traffic on some of the roads, leading to increased emissions of vehicle related pollution. Cheshire has been shown to have a high proportion of car ownership

4 Drive Out the Sources of Poor Health

(82% in 2001 against a UK average of 72%), and an equally high proportion of families with more than one vehicle (40% in 2001 against a UK average of 29%).

- 4.82** The predominant means of commuting in Cheshire East is the car, with only a small proportion of residents (4% in 2001) using public transport to commute to work.
- 4.83** Tackling congestion is a key factor in reducing emissions. Free flowing traffic produces less pollution than “stop start”, or stationary traffic. Many of the market towns within Cheshire East have narrow streets with residents living in very close proximity to the road, and traffic flow is often impeded by on street parking, goods vehicles servicing shops and other activities.
- 4.84** Freight movements have an impact on air and noise quality and pollution within Cheshire East. “Source apportionment” undertaken as part of the Local Air Quality Management Process shows that, in a number of the Air Quality Management Areas, emissions of nitrogen dioxide from Heavy Goods Vehicles are disproportionately high when compared to emissions from other categories of roads user (cars for example).
- 4.85** New development also has the potential to adversely affect both air quality and transport noise, partly from the development’s own activities (for example boiler emissions, or manufacturing noise), but more often from increased road traffic, or changes to traffic patterns on the wider highway network as a result of the development.
- 4.86** Specific policy initiatives to address noise and air quality are set out below. Initiatives relating to Public Transport, Freight, Network Management, Cycling, Walking and Climate Change are set out in **Chapter 2: Sustainability** and **Chapter 3: Business**. These policy initiatives are all likely to lead to benefits to local air quality.

POLICY

Policy H4 Air Quality: Work to improve air quality in the borough.

POLICY

Policy H5 Noise: Seek to reduce the impact of noise pollution from transport.

4 Drive Out the Sources of Poor Health

H4 & H5 Policy Initiatives

- 4.87 Public information:** Work to raise awareness of air quality issues, and communicate the results of air quality monitoring through development of a web portal. Consider providing targeted, health based advice to sensitive individuals allowing them to adjust lifestyles according to air pollution forecasts.
- 4.88 Driver technique:** Undertake a series of sector specific campaigns aimed at better awareness of how improved driver technique can reduce vehicle emissions. Raise overall awareness of how driver technique can impact emissions through the website. Place signage at strategic areas where vehicle engine idling leads to increased emissions and explore the feasibility of adopting legislation to enforce the switching off of idling engines within AQMAs.
- 4.89 Vehicle emission testing:** Undertake roadside emission testing of vehicles to ensure they meet vehicle emission regulations.
- 4.90 New technology:** Continue to investigate innovative techniques and encourage adoption of new technology designed to improve local air quality – e.g. photo-catalytic paint.
- 4.91 Quiet surfacing systems:** Where necessary for environmental reasons utilise 'low noise' surfacing materials in its highway maintenance activities.

4 Drive Out the Sources of Poor Health

H4 & H5 Related Initiatives	Policy
Transport assessment of strategic site proposals	S1 Spatial Planning
Strategic joint working	S2 Climate Change – Mitigation & Adaptation
Influence travel behaviour	S2 Climate Change – Mitigation & Adaptation
All initiatives within S3-6 Public Transport	S3-6 Public Transport
Hybrid and electric vehicles	S9 Technology & Energy Efficiency
Facilitate sustainable development	B2 Enabling Development
Developer contributions	B2 Enabling Development
Network and route planning	B3 Network Management
Junction efficiency	B3 Network Management
All initiatives within B5 Freight	B5 Freight
Parking management	B6 Parking
Transport Asset Management Plan	B8 Maintenance

4 Drive Out the Sources of Poor Health

CASE STUDY

Application of Photo-Catalytic Paint

Awareness has in recent years been steadily growing that titanium dioxide in the form of photo-catalytic products, appeared to be a promising technology for the removal of nitrogen dioxide from ambient air. It was deemed a suitable, interim mitigation option for Cheshire East where traditional methods or re-routing traffic may not be feasible, or whilst longer term measures are implemented.

A pilot study has been undertaken within an Air Quality Management Area in Congleton. Solution was applied to approximately 200m² of paving, a number of residential properties and street furniture in late 2008.

Nitrogen dioxide concentrations were notably reduced following application of the solution, and there was a measured reduction of 34% over a 12-month period. The results of the study demonstrated that the use of photo-catalytic products may be an effective mitigation measure on reducing nitrogen dioxide concentrations within Air Quality Management Areas.

There are plans to undertake further studies within AQMA's of differing topography, and geography to enable further assessment of the impact.

The study has prompted interest amongst national and international air quality experts.



Photo: application of Photo-catalytic paint (left) and the area sprayed (Right) in West Road, Congleton

Road Safety

- 4.92** The Road Traffic Act 1988 places a duty on all local authorities to identify those road users most at-risk of death or injury and implement measures that are appropriate to reduce crashes.

4 Drive Out the Sources of Poor Health

- 4.93** While the general health of people in Cheshire East is predominantly better than the national average; the number of road injuries and deaths in the area are significantly worse than the national average^{ad}. The cost of road death and injury in 2009 alone is calculated at £105m^{ae}.
- 4.94** The Community Survey 2008 identified that 68% of residents in Cheshire East had been involved in a road traffic crash or collision, of these accidents 18% had resulted in a minor injury and 9% had resulted in a more serious injury. Unlawful acts are contributory factors in almost half of road traffic collisions in Cheshire East, with one in five associated with alcohol impairment^{af}.
- 4.95** An analysis of traffic accidents where people are killed or seriously injured (KSIs) in Cheshire East (2005-2009) identified an overall downward trend since 1998, however, more recently the rate of reduction has begun to level out. Moreover, a significant proportion of these reductions have been achieved on motorway and trunk roads. In their 2010 Cheshire East Profile Report, the Cheshire Safer Roads Partnership (CSRP) noted that when these roads are excluded, the average number of KSIs in Cheshire East has remained relatively constant, albeit with some year-on-year variations^{ag}.
- 4.96** The CSRP has identified young adult road users (16 to 25 years) and powered-two-wheelers as the top two at risk road user groups. These groups accounted for 49% of all KSIs between 2005 and 2009^{ah}. Key statistics include:
- 61% of all young adult road user KSIs during this period were car occupants (either as a driver or passenger), with males twice as likely to be killed or seriously injured^{ai}.
 - In terms of all powered-two-wheeler KSIs, 50% of accidents can be attributed to 36-45 year old males riding 500cc+ motorbikes.
 - Of the 266 KSIs on Cheshire East roads in 2009, only 28 were children although there is a steady rise in child KSIs over the last decade.
 - Of all cyclist KSIs, 36-55 year olds contribute to almost half (48%) and the vast majority of these (80%) are male.
- 4.97** By supporting greater road safety education and enforcement at high risk sites, the Council aims to reduce the overall rate of road traffic incidents in Cheshire East.
- 4.98** The engineering of highways and junctions can also have a significant impact on the number of road traffic incidents experienced at these sites. Examples of positive action include rectifying sites with poor visibility, lighting or drainage, inappropriate crossing design, or below standard corner radius or road camber. Care needs to be taken in sensitive locations, such as the Peak District National Park, to avoid clutter, light pollution or schemes with a detrimental visual impact.

4 Drive Out the Sources of Poor Health

POLICY

Policy H6 Road Safety (Education): Work with partners to improve road safety through targeted education campaigns.

H6 Policy Initiatives

- 4.99 Target high risk groups:** Work with local and sub-regional partners including, the Police, Cheshire Fire and Rescue and other external organisations to provide education and training services to high risk groups (e.g. young adults, and motorcyclists). The Council will also undertake an evaluation of existing education and training campaigns to measure the impact they are having on the number of KSI incidents in the borough and ensure effective delivery.
- 4.100 National behavioural campaigns:** Better inform all drivers and riders of the consequences of excessive speed, alcohol impairment and not wearing seatbelts, as well as improving observation skills through the use of national behavioural campaigns.
- 4.101 Cyclist training:** Work with schools, employers and in local communities to provide road safety training to cyclists identified as having a high level of risk in the borough and promote the use of active travel.

POLICY

Policy H7 Road Safety (Enforcement): Work with partners to improve road safety through targeted enforcement in high risk areas.

H7 Policy Initiatives

- 4.102 Speed cameras:** Support the use of existing speed cameras at high risk sites to encourage drivers and riders to abide by speed limits. Undertake an evaluation of the impact of installing average speed cameras on roads identified as having a particularly high level of collisions for at-risk road user groups.
- 4.103 Innovative enforcement schemes:** Support targeted innovative enforcement schemes to enhance road safety in towns and villages and on rural roads. For example, using peak time collision data to target specific at-risk groups, considering temporary introduction of Speed Indication Devices (SIDs) or assistance with informal community speed camera enforcement schemes.

4 Drive Out the Sources of Poor Health

H7 Related Initiative	Policy
Community-led initiatives	C1 Community

PRIORITY POLICY

Policy H8 Road Safety (Engineering): The Council will improve road safety through highway design improvements at collision blackspots.

H8 Policy Initiatives

- 4.104 Local safety schemes:** Contribute towards the reduction in the number of road traffic incidents by undertaking appropriate highway design improvements where evidence identifies a collision of casualty problem – then undertake appropriate evaluation to ensure future effectiveness.
- 4.105 Vulnerable road users:** Take account of the needs of vulnerable road users (e.g. pedestrians, cyclists and horse riders) and the Disability Discrimination Act 2005 when undertaking highway design. The Network Management Plan will set out a road user hierarchy to identify the circumstances where pedestrians and cyclist will be given priority on the highway network and consider where reduced speed limits would be appropriate (e.g. 20s Plenty campaign for residential areas) – see **Chapter 3: Business** for details.
- 4.106 Quiet lanes:** Consider the viability of introducing ‘Quiet Lanes’ in villages to enhance pedestrian and cycling road safety using appropriate best practice guidance.

H8 Related Initiative	Policy
Safer routes to school	Y1 Travel to Education

4 Drive Out the Sources of Poor Health

End Notes

- a. 2001 Census.
- b. Chief Medical Officer's Report (2004) At least 5 times a week: evidence on the impact of physical activity and its relationship to health, Department of Health, London
- c. Chief Medical Officer's Report (2004) At least 5 times a week: evidence on the impact of physical activity and its relationship to health, Department of Health, London
- d. Department of Health (2009) Be Active, Be Healthy – A Plan for Getting the Nation Moving
- e. Department for Transport (2007) National travel survey 2006, London
- f. Chief Medical Officer's Report (2004) At least 5 times a week: evidence on the impact of physical activity and its relationship to health, Department of Health, London
- g. House of Commons Health Committee (2004) Obesity: Third report of session 2003-2004
- h. World Health Organisation (2005) Health effects of transport-related air pollution.
- i. Stephen A Stansfeld and Mark P Matheson (2003) Noise pollution: non-auditory effects on health, British Medical Bulletin 68:243-257
- j. Central and Eastern Cheshire Primary Care Trust (2010) Joint Strategic Needs Assessment
- k. Labour Force Survey, June 2005
- l. Cheshire East Council (2010) Public Rights of Way Discussion Groups 2010, Sandbach
- m. Phillipson C & Scharf T (2004) The Impact of Government Policy on Social Exclusion of Older People: A Review of the Literature. London, The Stationery Office, Social Exclusion Unit, Office of the Deputy Prime Minister.
- n. Central and Eastern Cheshire Primary Care Trust (2010) Joint Strategic Needs Assessment, Physically active adults, modelled for 2005-6
- o. No regular exercise is considered to be exercising fewer than 3 times a week
- p. Department of Health (2005) Choosing activity: a physical activity action plan, London
- q. Cheshire East Council (2010) Public Rights of Way Discussion Groups 2010, Sandbach
- r. Cheshire East Council (2010) Cheshire East Draft Visitor Economy Strategic Framework June 2010, Sandbach, p8
- s. Cheshire East Council (2010) Cheshire East Draft Visitor Economy Strategic Framework June 2010, Sandbach
- t. Schmid, T., Prattt, M. & Howzw, E. (1995) Policy as intervention: environmental and policy approaches to the prevention of cardiovascular disease, American Journal of Public Health 85(9), p 1207-11
- u. Source: Sustrans Connect2 and Greenway Design Guide: The Importance of Increasing Walking and Cycling in the UK
- v. Cheshire East Council (2010) Local Development Framework Core Strategy: Issues and Options Paper, November 2010

4 Drive Out the Sources of Poor Health

- w. Price, R. & Stoneham, J. (2001) Making Connections; a Guide to Accessible Greenspace, The Sensory Trust
- x. Office for National Statistics Family Resources Survey 2003-4 , London, as defined by the Disability Discrimination Acts 1995 and 2005
- y. Using Cheshire East Research and Intelligence 2007 mid-year estimate, Cheshire East Profile, 2009 for the estimated population of Cheshire East
- z. Office of National Statistics, Census 2001, London
- aa. Cheshire East Council (2010) Cheshire East Draft Visitor Economy Strategic Framework June 2010, Sandbach, p12
- ab. Hickey, R. (2003) Use and Demand for Rights of Way, A Report to the Countryside Agency, Public Rights of Way Services Ltd.
- ac. as set out in The Air Quality (England) Regulations 2000 (SI 928), The Air Quality (England) (Amendment) Regulations 2002 (SI 3043).
- ad. APHO and Department of Health, Health Profile 2009 – Cheshire East, 2010
- ae. Department for Transport, Highways Economic Note 2
- af. Cheshire Safer Roads Partnership, Strategic Assessment, March 2010, V3
- ag. Cheshire Safer Roads Partnership, June 2010, Cheshire East: Road Traffic Collision Casualties 2005-2009 Profile Report
- ah. Cheshire Safer Roads Partnership, June 2010, Cheshire East: Road Traffic Collision Casualties 2005-2009 Profile Report
- ai. Cheshire Safer Roads Partnership, May 2010, Young Adult (16-25y) Road User Problem Profile

5 Nurture Strong Communities

5 Nurture Strong Communities

Sustainable Community Strategy (SCS) Priorities

- 5.1** Over the next 15 years the SCS seeks to ensure that local people will be actively involved in shaping the future of where they live. The SCS has identified four priorities for action in nurturing strong communities in Cheshire East. These are:
- Let local voices take the lead
 - Support the community to support itself
 - Deliver services as locally as possible
 - Ensure communities feel safe
- 5.2** Communities depend on local transport to get to work, to school, to the hospital, shops or GP surgery. However, the ease of access to services is not just about transport, it is also about how key services are planned and delivered. The aim is to work with partner organisations, town & parish councils and community & voluntary groups to identify solutions that will improve the way in which local communities can access services now and in the future.

Evidence Overview

- 5.3** The 2008 Community Survey found that 93% of respondents liked living in the area and 61% felt that they belonged to a community. Cheshire East has a strong town and parish council network, pro-active town partnerships, neighbourhood action groups and a strong volunteer force. Residents are proud of the levels of community activity and see this as one of the strengths of the area. There are many examples of community-led solutions to transport problems, such as community car schemes and informal car sharing.
- 5.4** Cheshire East contains a diverse mixture of urban and rural areas with approximately 39% of the population living in rural areas and 61% in towns, suburbs and larger villages. The ease with which people can access services such as work, healthcare, education and shopping is an important and challenging issue, particularly for rural communities.
- 5.5** The profile report for each Local Area Partnership (LAP) has identified the proportion of households located within 2km of a range of key services. The results indicate that access to services across each LAP varies. Nantwich and Knutsford have a lower than average access across a range of services. However, Congleton, Crewe, Wilmslow and to a lesser extent Macclesfield experience higher-than-average access to most services. This constitutes a benefit of the more urban composition of these LAP areas.
- 5.6** There are some neighbourhoods in Cheshire East which are classified as being in the 20% most deprived nationally. The majority (10 out of 14) of these neighbourhoods are in Crewe town, with the rest in Macclesfield and Congleton

5 Nurture Strong Communities

towns, and the Wilmslow-Handforth conurbation. A greater proportion of households in these areas do not have access to a car and many rely on public transport to access key services.

Stakeholder Opinion

- 5.7** Stakeholders recognised the important role that transport can play in supporting communities – in particular, stakeholders identified accessibility to services from rural areas as a key issue – however, nurture strong communities was not identified as a priority theme for transport.
- 5.8** Reducing the need to travel by providing services locally or remotely, better partnership working and working with existing networks/community groups to facilitate a better understanding of local transport needs were seen to be important and applicable to all the SCS themes.
- 5.9** In terms of possible initiatives, members of the LAPs expressed greatest support for increasing the role of taxi services to meet community needs and providing practical support for community groups in meeting community transport needs (e.g. lift services organised by communities).
- 5.10** Stakeholders also recommended a range of other opportunities to nurture strong communities including: joined-up service delivery to address loss of local services (e.g. post office closures); communication to understand community needs; and supporting local community groups and local councils to ensure that town and parish plans are at the heart of local decision making. Stakeholder suggestions are reflected in the draft policies wherever possible.

LTP Objectives

RELEVANT OBJECTIVES

Objective 4 (Community): Support community involvement and decision-making.

Objective 2 (Accessibility): Improve access to key services (employment, education, health, shopping and leisure) and reduce the need to travel.

Objective 7 (Safety): Improve road safety for all users and increase personal and community safety.

C: Sustainability Appraisal

- 5.11** The Sustainability Appraisal of policies within this chapter found beneficial effects across a number of sustainability objectives. At least three positive effects were predicted for each individual policy across the sustainability objectives below:

5 Nurture Strong Communities

- 3 Minimise need to travel & sustainable modes...
- 5 Pollution & climate change...
- 9 Towns & local centres...
- 10 Economy & access to employment skills...
- 11 Safety...
- 12 Quality of life...
- 13 Access to leisure and countryside...

5.12 Six sustainability objectives were not associated with any beneficial policy effects from this chapter, these were:

- 1 Biodiversity, habitats, geology...
- 2 Flooding...
- 4 Heritage & landscape...
- 6 Resources & green infrastructure...
- 7 Energy...
- 8 Design...

5.13 These objectives were all associated with neutral effects from communities policies of this chapter. No negative effects were identified. In conclusion, the Sustainability Appraisal of the policies within this chapter highlighted either beneficial or neutral effects.

Transport Challenges & Policy Solutions

Community

- 5.14** Cohesive, empowered and active communities in which people can influence the decisions that affect their locality is at the heart of the SCS for Cheshire East. Local services which are tailored to the needs of local communities will help to maintain the distinctiveness of towns and villages.
- 5.15** It is recognised that local communities are often best placed to identify their own transport needs and to develop local transport solutions. Many communities across the borough have a history of self help and coming up with innovative ways of serving local people, whether it be giving someone a lift to a doctor's appointment, or saving a post office by relocating it to the local pub. This is particularly important in rural areas where access to mainstream services is more difficult.
- 5.16** There is a need to assess the extent to which transport and accessibility issues contribute to deprivation, particularly in the areas which are classified as being in the 20% most deprived nationally. The Council will work in partnership with communities to understand the complex range of transport needs at a local level and support where possible community-led solutions.
- 5.17** Local Area Partnerships (LAPs) bring together the key agencies within localities to ensure engagement with communities, provide empowerment opportunities and improve service delivery through the development of robust, evidence

5 Nurture Strong Communities

based Area Delivery Plans. The Council will work with the LAPs, town & parish councils and community & voluntary groups to facilitate a better understanding of transport and accessibility needs and work together to explore potential solutions.

- 5.18** In order to empower local communities, the Council are exploring opportunities to transfer and devolve functions within localities. The purpose of this devolution is to improve local services by involving town and parish councils in service delivery and promoting local ownership of services. The transport-related services which may be devolved include maintenance of bus shelters, maintenance of footpaths and street name plates, bridleways and road sweeping.
- 5.19** In developing the range of LTP policies, a full assessment of each town and parish plan has been undertaken to ensure that appropriate policies for Cheshire East are adopted. This assessment will feed into the development of transport frameworks for each principal town and key service centre during the first implementation plan period (for more details see **Chapter 8: Towns**).
- 5.20** There are opportunities to nurture the development of grass roots initiatives and empower local people to develop a range of community-led solutions.

PRIORITY POLICY

Policy C1 Community: Work in partnership with local communities to support community-led solutions that improve accessibility to key services (employment, education, health, shopping and leisure).

C1 Policy Initiatives

- 5.21** **Community engagement:** Encourage communities to identify and prioritise transport and accessibility issues relevant to their community – town and parish plans, LAP “Area Delivery Plans” and Transport Frameworks for Towns may help facilitate this process.
- 5.22** **Community-led initiatives:** Adopt a flexible and open approach to community identified initiatives and support local people to develop a range of community-led solutions, such as voluntary car schemes, car share schemes and community speed reduction initiatives. Such schemes may be developed for inclusion as a Sustainable Transport Fund bid option in collaboration with communities and other stakeholders.
- 5.23** **Local service delivery:** Support initiatives to provide access to services locally, including mobile service delivery (e.g. libraries) and local delivery hubs. This may include the provision of some services by town and parish councils.

5 Nurture Strong Communities

- 5.24 Local minor infrastructure improvements:** Implement small-scale improvements to local transport facilities and services identified in town and parish plans and other community plans (e.g. LAP “Area Delivery Plans”).
- 5.25 Community groups:** Utilise the knowledge and expertise of specialist interest groups, such as Cheshire East Cycling Forum, Community Rail Partnerships and Low Carbon Communities (LCC).

5 Nurture Strong Communities

CASE STUDY

Rural Accessibility - Audlem

As part of a North West Accessibility & Regeneration Study, Audlem was selected as a case study to explore access to services in a rural settlement with close ties to larger neighbouring employment and service areas.

The study found that the changing nature of village life towards commuting to urban centres has had a number of positive and negative impacts on Audlem village. The demand for local services has reduced as car ownership has risen, and access to employment and key services by car has resulted in more people travelling further.

One of the key successes found in Audlem was the role of the local community in bringing people together, providing voluntary support, and representing local opinion in an effective manner. The Parish Plan, Village Design Statement, Audlem Online and the range of community events are just some of the positive messages.

The case study found that many people who live in Audlem feel the advantage of living in a rural village is that people look out for each other. For example, it was identified through the focus groups that Audlem has a group of volunteers who offer a taxi service for people wanting to access Leighton Hospital. The service enables local residents with transport problems to attend hospital, dentist, chiropody and surgery appointments.



This local support network is evidence that people living in Audlem recognise the issues faced by local people and work together to support people within their village. The Audlem community have a strong culture of self help and coming up with innovative ways of serving local people. The success of community initiatives to tackle rural accessibility problems should be an important lesson for other areas across Cheshire East.

5 Nurture Strong Communities

Accessibility of Services

- 5.26** Many people in Cheshire East have good access to services; however, there are a significant number of people for whom accessing key services is a real challenge. This section outlines the ‘places’ where access to services can be challenging and the ‘people’ who experience accessibility problems which may also be linked to issues of deprivation and social exclusion.
- 5.27** The national indices of deprivation suggest that several of Cheshire East’s rural communities experience significant levels of deprivation in terms of geographical barriers to services. The most affected communities are located in the area covered by the Nantwich Local Area Partnership.
- 5.28** In addition, local accessibility mapping has identified the rural communities with limited access to conventional fixed route public transport services (albeit excluding ‘demand responsive’ solutions such as Dial-a-ride, which cannot easily be mapped). The challenges to rural accessibility include greater distances to travel, topography, less concentrated levels of demand for public transport and the increasing loss of local service provision.
- 5.29** However, living in a rural area does not necessarily translate to a problem of access to services, as many of these communities have high car ownership and often do not consider themselves to be experiencing difficulties. Therefore, activities to address rural accessibility must be targeted at the people for whom accessing essential services is a real challenge.
- 5.30** Consultation with rural communities has found that older people often experience accessibility problems as they may become less mobile and less inclined to drive as they get older (see **Chapter 7: Older people**). Young people can also experience accessibility problems linked to availability and affordability of transport (see **Chapter 6: Young people**).
- 5.31** Research by Cheshire Community Action has found that transport which is flexible and responsive to local needs is a top priority for rural communities. Community transport initiatives, such as dial-a-ride and community car schemes, were highly valued in providing journeys for older people and disabled passengers to a range of essential key services.
- 5.32** Many people are concerned about the loss of local services and the potential for isolation and disadvantage as many village shops, post offices and pubs continue to close. Community buildings can host numerous other services and with 144 village halls in Cheshire East there is a significant physical resource of buildings in which more localised services can be provided.
- 5.33** People without regular access to a car often experience difficulties in accessing key services. The lowest levels of car ownership are concentrated in the areas classified as being in the 20% most deprived nationally. 40% of households in West Coppenhall & Grosvenor in Crewe have no access to a car, which was the highest percentage in Cheshire East.

5 Nurture Strong Communities

- 5.34** However, Crewe has an extensive commercial bus network with good availability of services during peak hours of the day. The accessibility problems experienced by these communities are often more closely associated with affordability of travel and off peak journeys, particularly for shift workers (early mornings and late evenings).
- 5.35** In addressing deprivation there is a need to consider a range of issues and potential solutions to reduce the inequalities in household incomes (access to work), educational attainment (access to schools & colleges) and health (access to hospitals & GP surgery). This may include assessing the location of services, safety and security concerns at transport interchanges and people's travel horizons (e.g. confidence to travel longer distances), as well as the availability and cost of transport.
- 5.36** An increasing number of retailers and service providers make their goods and services available online, reducing the need to travel to service outlets. The majority of households in Cheshire East can access broadband with the exception of a small number of areas (often referred to as 'blindspots'), which are concentrated in the rural parts of the borough. In addition, the diversity of service providers and speed of the connection is weaker in rural areas.
- 5.37** In order to improve access to goods and services it is important for all areas of Cheshire East to have access to high quality broadband infrastructure. The aim is to reduce the digital divide and ensure that there is parity in the provision of broadband services for those that live and work in rural areas with that available in nearby towns.
- 5.38** However, it is also recognised that the affordability of broadband may be an issue in low income households, particularly in deprived neighbourhoods in the urban areas of the borough. Promoting outlets which offer community access to internet services, such as libraries and internet cafés could be targeted to areas of deprivation.
- 5.39** In summary, the Council will seek to improve accessibility through a combination of effective transport links and working with partners to explore new ways of service provision. This will include effective use of technology and making better use of local facilities (such as village halls and community centres) to deliver joined-up services. It is essential that communities have a strong voice in determining decisions that are made, so that services are responsive to the needs of local communities.

PRIORITY POLICY

Policy C2 Accessibility of Services: Work with partner organisations and local communities to make key services easier to access with a particular focus on disadvantaged groups and areas, including people living in rural areas, older people, young people and those without access to a car.

5 Nurture Strong Communities

C2 Policy Initiatives

- 5.40 Key service location:** Work with service providers (NHS, schools, colleges, leisure centres) to ensure that changes to service location do not have a detrimental impact on accessibility for vulnerable groups and isolated people.
- 5.41 Multi-use premises:** Work with service providers to explore the opportunity to utilise existing community facilities to provide a wider range of services locally (e.g. village halls & community centres).
- 5.42 Rural taxi services:** Further utilise the role of taxis and private hire vehicles by investigating innovative taxi-sharing initiatives serving rural areas, and ensuring adequate availability of taxi services covering such areas.
- 5.43 Access to employment, skills and education:** Work with employers and education providers to ensure that future and (where possible) existing sites are as accessible as possible to local communities, particularly young people from areas of deprivation.
- 5.44 Sustainable communities:** Encourage communities to “live local, work local, buy local” to support the viability of local services, promote home delivery of goods which cannot be purchased locally and increase the availability of allotments to facilitate access to affordable healthy food.

C2 Related Initiatives	Policy
Broadband infrastructure	B7 Business Innovation
Supported services	S4 Public Transport (Service Levels & Reliability)
New commercial opportunities	S4 Public Transport (Service Levels & Reliability)
Multi-media information	S5 Public Transport (Information & Marketing)
<u>Various initiatives within S7 Walking</u>	<u>S7 Walking</u>
<u>Various initiatives within S8 Cycling</u>	<u>S8 Cycling</u>

5 Nurture Strong Communities

CASE STUDY

Community Transport - Gawsworth

The village of Gawsworth is situated approximately two miles outside the town of Macclesfield. The financial cost of maintaining a Tuesday only local bus service for the village of Gawsworth was unsustainable, yet this service provided essential accessibility to shopping, personal business and other needs of those residents using this service.

In response to this, a community transport service was introduced. By changing the day of operation to Friday, it was possible to use existing community transport resources, therefore the service could be provided at marginal additional cost, which is met by fare income. Close engagement with service users was necessary, particularly as the new service required residents to register and pre book their journeys. However, this has subsequently proven to be successful, with service users accepting and understanding how the new service works for them.

The LTP will seek further opportunities to rationalise services and increase sustainable accessibility for rural residents.

Access for All

- 5.45** People with mobility problems and disabled people often experience difficulties in using the transport system to access key services. Transport policy and planning should influence the effective location and delivery of services, such that they are as accessible as possible to all users.
- 5.46** In addition, improvements in the physical accessibility of public transport will go some way towards better meeting the needs of all users within 'mainstream' transport. The provision of accessible buses is important to ensure that older people, disabled people, wheelchair users and people with pushchairs are afforded equal access to bus transport.
- 5.47** The English National Concessionary Travel Scheme (ENCTS) enables free bus travel after 9.30am to all eligible older people and disabled people. The concession provides greater freedom and independence to some of the most vulnerable people in our society, representing a major step forward in tackling social exclusion.
- 5.48** The Council currently operates a number of discretionary enhancements to the scheme, such as half fare travel before 9.30am and the ability to use the pass on Dial-a-Ride services. The enhancements extend the advantages of the scheme, particularly for those who live in areas with limited bus services.

5 Nurture Strong Communities

- 5.49** As part of the concessionary travel scheme, the Council currently offers both the Senior Railcard and Disabled Persons Railcard to eligible residents at a discounted price through the power of bulk buying directly from National Rail.
- 5.50** In terms of adult social care, the Council currently provide a total of 1,200 journeys each day. The majority of these customers are aged over 60. The service provides access to a range of facilities including day-care centres and healthcare. However, the provision of transport is set to change as part of the social care redesign programme.
- 5.51** The introduction of the personalisation agenda and devolved care budgets mean that clients will in future be allocated an allowance for transport costs. People will be given freedom in how they spend this budget, how much they spend on transport and indeed, how they choose to travel. This will result in a demand led and demand responsive approach to transport.
- 5.52** Disabled people in receipt of the higher rate mobility component of Disability Living Allowance are eligible for a number of concessions including the Blue Badge scheme, which enables mobility impaired people to park on the street close to key services where there are no waiting restrictions in place.
- 5.53** 'Shopmobility' schemes assist people with mobility problems to access local shops and services by providing wheelchairs and electric scooters that are made available for hire in local town centres. 'Shopmobility' forms an integral part of the journey for a person with mobility problems, enabling them to retain a level of independence.
- 5.54** Currently there are four Shopmobility centres around the borough (Macclesfield, Crewe, Nantwich and Wilmslow), with a fifth (Congleton) in progress. This will expand the access of Shopmobility schemes and provision for mobility vehicles and enable more people to access the scheme.
- 5.55** In addition, Independent Travel Training supports people with disabilities and learning difficulties to gain the essential skills they need to access 'mainstream' public transport services. The training has been highly valued by users helping them to gain independence and greater social inclusion.
- 5.56** The Council will work with users to better understand the diverse range of needs (e.g. visual impairment, learning difficulties, wheelchair users) and develop initiatives to support access to public transport for all.



5 Nurture Strong Communities

PRIORITY POLICY

Policy C3 Access for all: Consider the diverse range of needs concerning disabled people and other groups who experience difficulties using the transport system.

C3 Policy Initiatives

- 5.57** **Accessibility audits:** Undertake regular assessments of key transport infrastructure, such as railway stations and bus interchanges, to ensure that they are accessible for those with mobility constraints and disabled people.
- 5.58** **Accessible vehicles:** Encourage operators to replace older bus and rail vehicles with high quality fully accessible buses or carriages that enable easy access and provide a comfortable journey for all users.
- 5.59** **Accessible information:** Support the provision of transport information in a range of formats to increase access to this information (e.g. for partially sighted or disabled people).
- 5.60** **Independent travel training:** Support people with disabilities and learning difficulties to gain the essential skills they need (e.g. confidence) to access 'mainstream' public transport services.
- 5.61** **Social care transport options:** Facilitate informed choices and decision-making through easier access to information on travel options for accessing facilities (e.g. day care centres), particularly in relation to the social care redesign programme and independent travel budgets.
- 5.62** **Concessionary bus travel:** Review current criteria to ensure it offers value for money and supports broader policy objectives. Additional discretionary elements to consider will include introduction of companion bus passes and/or taxi vouchers.
- 5.63** **Concessionary rail cards:** Promote the national scheme offered to older people and people with disabilities.

5 Nurture Strong Communities



C3 Related Initiatives	Policy
Access to green spaces	H3 Public Rights of Way & Green Infrastructure
Bus driver training	S4 Public Transport (Service Levels & Reliability)
Computerised booking systems	S5 Public Transport (Information & Publicity)
Footpath & footway improvements	S7 Walking

CASE STUDY

Independent Travel Training

Independent Travel Training supports people with disabilities and learning difficulties to gain the essential skills they need to access mainstream public transport services gaining independence, helping achievement of greater social inclusion.

A pilot scheme has been set up in Cheshire East to assist students attending local schools and colleges. Students from these educational establishments have benefited by improving their access to further education, training and employment and reduced their dependency on specialist or personalised transport arrangements provided by the Council.

Students at Reaseheath College who have participated in the travel training course have thoroughly enjoyed the process. One student called his first day of using the college bus his 'independence day' as he has spent most of his school life travelling by taxi and this was his first step towards adulthood.

5 Nurture Strong Communities

Crime & Terrorism

- 5.64** Despite the reduction in the number of actual crimes committed within Cheshire East, fear of crime remains high. A considerable number of respondents to locally conducted surveys in the former District Council areas indicated that they felt very (Macclesfield: 12%; Crewe and Nantwich: 14% and Congleton 11%) or quite (Macclesfield: 55%; Crewe and Nantwich: 49% and Congleton 39%) worried about being a victim of crime.
- 5.65** Criminal damage, theft and violence were the most common types of crime experienced in Cheshire East. Macclesfield, Haslington, Knutsford and Handforth experience a relatively high level of violence – defined as violent crime rates higher than 10 per 1,000 population, with Disley, Prestbury, Bunbury and Holmes Chapel experiencing very low levels of violent crime.
- 5.66** The Sustainability Appraisal Scoping Report identified that women value personal security more greatly than men, although security is often an issue of perception rather than reality, particularly when travelling at night. Issues of street lighting and security at public transport stops, stations and interchanges are often a concern.
- 5.67** Actual and perceived levels of safety and security have been highlighted as a barrier to using public transport. The issues of concern include isolated bus stops, badly lit waiting areas and intimidating atmosphere on-board, which can generate feelings of insecurity. The walking and waiting parts of the journey can be where passengers feel most at risk, particularly at night. Older people, more than any other age group, need to be assured of their personal security and safety.
- 5.68** The Council will work with the Safer Cheshire East Partnership and public transport operators to jointly address problems of crime and safety in and around the transport network.

POLICY

Policy C4 Crime & Terrorism: Work with partners to reduce crime, fear of crime and anti-social behaviour on the transport network.

C4 Policy Initiatives

- 5.69** **Targeted safety improvements:** Reduce the incidence of crime and anti-social behaviour on the transport network.
- 5.70** **Security of stations and bus stops:** Improve the waiting and interchange facilities, including installation of CCTV, to improve the actual and perceived levels of safety of security.

5 Nurture Strong Communities

5.71 Car park security: Enhance the security of car parks, particularly those close to public transport interchanges not owned or operated by the Council.

5.72 Street & Footpath Lighting: Ensure appropriate provision of lighting to enhance actual and perceived safety on footways and footpaths.

C4 Related Initiatives	Policy
Railway station improvements	S3 Public Transport (Integration & Facilities)
Bus stop condition	S3 Public Transport (Integration & Facilities)
Provision of high quality parking	B6 Parking

6 Support our Children & Young People

6 Support our Children & Young People

Sustainable Community Strategy (SCS) Priorities

- 6.1** The SCS aims to ensure that children and young people are helped to fulfil their potential by providing opportunities, support and giving young people a voice in shaping their future. The priorities for action over the next 15 years are:
- Ensure good transitions (e.g. education to employment) and skills for the future
 - Improve support and facilities for children and young people
 - Strengthen the voice of children and young people
 - Improve the health of children and young people
- 6.2** The Cheshire East Children & Young People's Interim Plan (2010/11) further defines this commitment by setting out immediate priorities, targets and actions, as well as setting the direction of travel for services for a 2-5 year period.
- 6.3** Transport has a supporting role to play in delivering these priorities, particularly when considering the needs of children and young people in accessing education and employment. Children and young people's safety will feature in transport policy through road safety initiatives to reduce the number of young people killed or seriously injured (KSI) on Cheshire East's roads.
- 6.4** There are also important linkages between transport and health, with opportunities to encourage young people to walk and cycle from an early age resulting in active, healthier lifestyles and reducing obesity in children.

Evidence Overview

- 6.5** There are just over 80,000 children and young people (aged 0-19) in Cheshire East. By the year 2027 there is forecast to be approximately 5% fewer children than there were in 2010, with the 5-10 year old population declining by 3% between 2007 and 2027 and the 11-15 year old population decreasing by 7%.
- 6.6** Evidence suggests that while the majority of Cheshire East's children and young people are doing well and have improving prospects, a significant number, often living in the most disadvantaged areas, are not as fortunate^a.
- 6.7** Around 6,500 children and young people live in areas that fall into the 20% most disadvantaged in the country. Estimates suggest that around 17% of all children and young people (0-19) in Cheshire East are 'at risk' of poor outcomes^b.
- 6.8** Overall the proportion of Cheshire East's young people not in education, employment or training (NEET) is good compared to national levels. However, NEET rates remain significantly higher for some groups (e.g. cared for children) and NEET is a strong predictor of poor outcomes.

6 Support our Children & Young People

- 6.9** A survey undertaken as part of the Cheshire East Youth Parliament Elections (11-18 year olds) found that from a list of 12 critical issues, transport costs were top, along with the way young people are presented by the media. The Tellus4 survey^c identified that safe places to go and things to do are highly valued amongst children and young people. Safer streets, especially from cars that drive too fast, and safer places to cross roads were raised^d.
- 6.10** Children account for 10.5% of all people killed or seriously injured (KSI) on Cheshire East roads. The majority of incidents involve children aged 11 to 15 as pedestrians and as passengers in a car. Single vehicle collisions are the most prevalent type of collision. The majority of car KSI collisions occur on A and C class 60mph rural roads; pedal cycle collisions occur on 30mph or 60mph roads; and pedestrian KSI collisions occur close to pedestrian crossings.
- 6.11** In 2009/10, method of travel to school data found that 47.1% of school attendees travelled on foot, a third (33.6%) travelled by car and 14.7% travel by public transport. Younger children (aged 5 to 10) were more likely to travel by car, whilst children aged 10-15 were more likely to travel by public transport or walk.
- 6.12** Levels of cycling to school have remained low and relatively static over recent years at around 2.7-2.9% of 10 to 15 year olds. When comparing this against the national figures, Cheshire East has a higher percentage of children travelling to school by car. All Cheshire East schools now have a travel plan to help facilitate sustainable access to schools.
- 6.13** Within Cheshire East obesity levels in adults are not significantly higher than the England average. However, childhood obesity is steady increasing and this will lead to more cases of early onset diabetes type 2 and other associated health problems^e.

Stakeholder Opinion

- 6.14** In exploring the transport challenges relating to **supporting children & young people**; stakeholders identified road safety for young adults as a key cross-cutting issue. There was support for initiatives focused on young adults road safety education and training as part of the SCS aspiration to improve health.
- 6.15** Other challenges raised by stakeholders included encouraging more active forms of travel for the 'school run' and minimising car use, as well as improving access to employment, education and training for young people. Overall, it was considered that the needs of children and young people would need to be considered specifically (such as direct work with schools to support active travel) and also within other policy areas (such as public transport, walking and cycling). This understanding contributed to stakeholder prioritisation of SCS theme to **create a sustainable future**.

6 Support our Children & Young People

LTP Objectives

RELEVANT OBJECTIVES

Objective 2 (Accessibility): Improve access to key services (employment, education, health, shopping and leisure) and reduce the need to travel.

Objective 5 (Health): Support active and healthy lifestyles.

Objective 7 (Safety): Improve road safety for all users and increase personal and community safety.

Y: Sustainability Appraisal

6.16 The Sustainability Appraisal of policies within this chapter found beneficial effects across a number of sustainability objectives. At least four positive effects were predicted for each individual policy across the sustainability objectives below:

- 3 Minimise need to travel & sustainable modes...
- 5 Pollution & climate change...
- 6 Resources & green infrastructure...
- 10 Economy & access to employment skills...
- 12 Quality of life...
- 13 Access to leisure and countryside...

6.17 Seven sustainability objectives were not associated with any beneficial policy effects from this chapter, these were:

- 1 Biodiversity, habitats, geology...
- 2 Flooding...
- 4 Heritage & landscape...
- 7 Energy...
- 8 Design...
- 9 Towns & local centres...
- 11 Safety...

6.18 These objectives were all associated with neutral effects from policies of this chapter. No negative effects were identified. It should be noted that beneficial effects were measured against the policies within this chapter, not for children and young people generally. As such, a number of benefits were registered within other chapters that would be relevant to children and young people (e.g. safety policies of the health chapter).

6.19 In conclusion, the Sustainability Appraisal of the policies within this chapter highlighted either beneficial or neutral effects.

6 Support our Children & Young People

Transport Challenges & Policy Solutions

Travel to Education

- 6.20** Although over the last few years there has been a small decrease in the proportion of pupils travelling to school by car, there are trends in education delivery that would suggest that future demand for longer-distance travel to education may increase during the next 15 years.
- 6.21** The factors influencing this trend include school reorganisation driven by falling pupil numbers, changes in the 14-19 education system introducing choice and personalisation, and increasing numbers of tertiary education students travelling from home rather than living on-campus.
- 6.22** Transport has a key role to play in the 'choice agenda', which allows children to travel to their preferred school or college. Difficulties with transport can prevent young people from participating in learning, or restrict the choice of learning that they attend.
- 6.23** In order to respond positively to changes in education delivery, the Council will work with education providers and bus operators to identify where transport barriers may restrict access to education and, in conjunction with partners, consider ways in which these could be overcome. In future there may be a need for more complex demand responsive arrangements.
- 6.24** Local surveys show that most children and parents would like travel to school to be by sustainable modes of transport, but they encounter difficulty in doing so for a number of reasons. For example, some parents drop their children off on their way to work, whilst others find that the distance is too far to walk. In addition, there are parents who use their car because they feel the roads are unsafe for walking and cycling – there are still a few children who are driven to school when they only live 'around the corner'.
- 6.25** Perceived cost can also be a barrier to using local and school bus services (where students are not eligible for support), and anti-social behaviour on public transport can also be a deterrent. The lack of lockers, safe cycle routes and cycle parking facilities are the main factors in preventing secondary school students from cycling to school.
- 6.26** These issues present significant challenges to encouraging sustainable modes of transport for the journey to school. Overcoming these barriers would support the delivery of wider transport policy objectives, including reducing congestion, reducing carbon emissions and improving road safety at the school gate.

Home to School Transport

- 6.27** Local authorities have a statutory obligation to provide transport for children of compulsory school age who either live over the statutory walking distance (over 2 miles for children under the age of 8 years, or aged 8-16 and from a low-income family (attending one of the three nearest schools), and over 3

6 Support our Children & Young People

miles for children aged 8-11 years), or have to walk along a hazardous route and are attending their nearest suitable school. Children eligible for assistance may choose to travel by bike instead of using the bus and in these cases a cycle allowance is paid.

- 6.28** The Council currently provide a number of discretionary enhancements to the statutory minimum. For example, provision of transport to attend a school on the grounds of religion or belief, transporting children placed in the care of foster families and transport of children aged between 8 and 11 who live within 2-3 miles of the nearest suitable school.
- 6.29** The Council also has a duty to provide special educational needs (SEN) transport for children who exhibit needs that are above those of a typical child. Children with complex special needs may qualify for transport provision either on grounds of distance, or on the basis of their needs.
- 6.30** As part of the Passenger Transport Strategy, a review will be undertaken of home to school transport policy. This will include a cost benefit analysis of discretionary enhancements to ensure that policies are meeting priority needs cost effectively. In addition, travel to education policy must react to changes in the delivery of education.
- 6.31** Where children do not qualify for assisted transport, children living in areas with limited or no public services can purchase spare seat places on education contracts where capacity exists and these are currently allocated on a first come first served basis. There is an opportunity to review the marketing policy / pricing of this initiative with a view to providing additional capacity in future.
- 6.32** There are also opportunities to support groups of parents who wish to procure their own transport arrangements for taking their children to school – this could include taxi sharing or minibus contracts. The Council could provide advice and develop a set of quality standards for such initiatives.
- 6.33** In addition to the delivery of statutory minimum service levels, a range of initiatives have been identified to support and help deliver the policy aspiration for travel to education.

POLICY

Policy Y1 Travel to Education: The Council will work with schools and colleges to enable sustainable travel to education, including appropriate provision for those eligible for free or assisted transport.

Y1 Policy Initiatives

- 6.34** **Review home to school transport policy:** Review the discretionary elements of the eligibility criteria, the policy and pricing structure for selling spare seats and initiatives to address anti-social behaviour and bullying

6 Support our Children & Young People

on school buses, as well as driver training. Ensure that stakeholders are fully engaged in the process and where services are altered ensure that alternatives are widely communicated.

6.35

Safer routes to school: Encourage schools to identify potential safety improvements on key routes to schools through travel plans and address issues identified, and develop 'invest to save' initiatives where some capital investment can remedy the unsafe sections of a "hazardous route" (thereby reducing eligibility of home to school transport).



6.36

Encourage sustainable travel: Explore a range of initiatives to promote and encourage increased levels of walking and cycling. For example, school travel plans, walking schemes (Walking Buses), cycling schemes, and "how to get to campus" maps.

6.37

Respond positively to changes in education delivery: Work with partners to constantly review the Council's response to emerging issues in the field of travel to education (e.g. 14-19 diploma) to meet the transport needs of children and young people.

6.38

Sharing arrangements: Work with schools and parents to encourage sharing arrangements for travel to education. For example, car share, park and stride, taxi sharing and minibus contracts.

Y1 Related Initiatives	Policy
Supported services	S4 Public Transport (Service Levels & Reliability)
Vulnerable road users	H8 Road Safety (Engineering)
Key service location	C2 Accessibility of Services

6 Support our Children & Young People

CASE STUDY

School Minibus

Pott Shrigley Primary is situated in a rural location which means that the majority of children had always been driven to school. Their School Travel Plan identified that an increase in the number of pupils attending the school had also led to an increase in traffic and parking problems on the roads around the school. This had triggered some minor disputes with neighbours who found their driveways blocked by parent or staff cars.

In 2007, the school put in a bid to loan one of the School Travel Team's minibuses which had been funded through the Local Transport Plan.

The successful bid has meant that the school can use the minibus on the school run as well as for school trips, sporting and educational outings. The minibus is also used by local community groups including the Scouts, Brownies and church groups.

On the school run, the minibus is driven by a teaching assistant with up to 12 children regularly using the minibus to get to and from school rather than travelling by car.

Over the last two years the number of children being driven to school by car has dropped from 96% to 68%.

The School view the minibus as a much valued resource and now with the federation with Bollington St John's Primary, the minibus will be extremely useful transporting pupils between the two sites.

6 Support our Children & Young People

CASE STUDY

Goostrey Primary School

Goostrey Primary School is a semi rural school with a wide catchment area. At the start of the travel plan process the school were sceptical about how they could impact on the travel mode of their pupils and whether they would be able to find the time to put in the necessary work. However, as the plan progressed they found that the work not only complimented their existing curriculum but that it made a real difference. The school has a long list of initiatives of which just a few are listed below:

- Walking activities in classes linked to activity afternoon
- Walking bus.
- Road safety initiatives
- Local pubs allowing parking for parents cars
- Liaison with Parish Council to match fund improvements to a hand rail on steps.
- Staff monitoring of cars parked inconsiderately by parents and leafleting
- Information on healthy ways to school for new starters. And
- Praise and rewards for pupils who participate in travel to school schemes



The below figures show the continuing impact the school have had on reducing the number of children travelling to school by car over the past 4 years.

Mode Of Travel	Walk	Cycle	Car	Car Share	Taxi
2007	16%	1%	80%	2%	1%
2008	31%	4%	61%	3%	1%
2009	33%	6%	58%	3%	1%
2010	37%	10%	49%	3%	1%

6 Support our Children & Young People

Cross-Cutting Challenges for Children & Young People

- 6.39** The SCS identified that local people are concerned about the lack of facilities available for young people. The 2008 Community Survey found that ‘activities for teenagers’ was the second highest priority for improvement and at the Local Area Partnership (LAP) level it was the top priority in both Congleton and Macclesfield.
- 6.40** In addition, a North West accessibility study^f identified that young people in rural areas experienced a heavy reliance on travel by private vehicle. Without access to a vehicle, young people felt they were isolated from high street shops, leisure and entertainment facilities. The challenge is therefore to improve access to a wide range of interesting, challenging and engaging activities outside of school (e.g. sports and leisure activities, cinema and after-school clubs).
- 6.41** In 2009, 5.8% of young people aged 16-18 were not in employment, education or training (NEET). Many of these people are concentrated in the urban areas of deprivation in the borough, particularly in Crewe. Initiatives to improve access to schools, colleges and employment opportunities are particularly relevant to this group. This may include innovative transport solutions where lack of transport is a barrier to employment (e.g. Crewe Flexi Rider).
- 6.42** The cost of transport has been identified as an issue for children and young people. Exploring ways of providing incentives for young people to use public transport to encourage them to make it a life-time habit will be another challenge reliant on close cooperation with commercial operators.

POLICY

Policy Y2 Targeted Action for Children and Young People: Work with stakeholders to ensure that transport provision and facilities meet the needs of children and young people.

Y2 Policy Initiatives

- 6.43** **Fare and ticketing incentives:** Promote the services which offer fare reductions for young people. Explore ways of providing incentives for young people to use public transport.
- 6.44** **Transport linkages from areas of deprivation:** Identify where transport is a barrier to employment, education and training, particularly for young people aged 16-18, and explore innovative solutions in conjunction with partners.

6 Support our Children & Young People

Y2 Related Initiatives	Policy
Multi-media information	S5 Public Transport (Information & Marketing)
Cycling facilities	S8 Cycling
Target high risk groups	H1 Targeted Health Action
All initiatives within H2 Promotion of Active Travel and Healthy Activities	H2 Promotion of Active Travel & Healthy Activities
Key service locations	C2: Accessibility of Services
Access to employment, skills and education	C2: Accessibility of Services

Children, Young People & Road Safety

- 6.45** Over the last decade there has been a slight upward trend in the number of children aged 0-15 killed or seriously injured (KSI) within Cheshire East, which is inconsistent with the reductions achieved nationally.
- 6.46** 51% of child KSIs are pedestrians. They account for almost one-third (31%) of all pedestrian KSIs in Cheshire East. 95% of these were injured on a road with a 30mph limit in place⁹.
- 6.47** Children account for almost one-quarter (22%) of all pedal cyclist casualties. Almost all of these (92%) were males with just over two-thirds (69%) between the ages of 12 and 16 years of age^h.
- 6.48** Failing to look properly and being careless, reckless or in a hurry were the highest contributory factors in all child pedestrian and pedal cyclist KSIs. These are preventable through education and training.
- 6.49** Young adults (16-25) account for 29% of all KSIs on Cheshire Safer Roads Partnership (CSRP) roads. Of that, 61% are car occupants and 17% are riding powered two wheelers under 125cc. A further 7% are riders of powered-two wheelers over 125ccⁱ.
- 6.50** The biggest contributory factors involving young adult KSIs are travelling too fast for the condition, careless / reckless / in a hurry, impaired by alcohol, exceeding the speed limit and aggressive driving^j. Each of these factors result in increased severity of injury but are preventable through education and enforcement^k.



6 Support our Children & Young People

- 6.51** A combination of engineering, enforcement and education campaigns targeting children and young people identified as at-risk of death or injury from road traffic incidents can be effective in reducing the overall number of KSI incidents.
- 6.52** The challenges/problems associated with children, young people and road safety will be addressed in the road safety sections of **Chapter 6: Health**. As such, there is no specific policy for children and young people relating to road safety in this chapter, however, the most relevant initiatives are set out in the table below:

Related initiative	Policy
Target high risk groups	H4 Road Safety (Education):
Cyclist training	H5 Road Safety (Enforcement)

6 Support our Children & Young People

End Notes

- a. Cheshire East Children and Young Peoples Trust Interim Plan 2010/11
- b. Based on Profile of vulnerable young people living in Cheshire Aug 2007 DAAT
- c. Department of Education, Tellus4, Cheshire East survey results, 2009.
- d. Cheshire East Children & Young People's Interim Plan (2010/11)
- e. Central and Eastern Cheshire NHS Primary Care Trust & Cheshire East Council, Joint Strategic Needs Assessment – First Look Report, 2008.
- f. Delivering a Sustainable Transport System (DaSTS) North West Regional Study 5: Accessibility & Regeneration
- g. Cheshire Safer Roads Partnership, June 2010, Cheshire East: Road Traffic Collision Casualties 2005-2009 Profile Report.
- h. Ibid
- i. Cheshire Safer Roads Partnership, May 2010, Young Adult (16-25y) Road User Problem Profile
- j. Ibid
- k. Ibid

7 Prepare for an Increasingly Older Population

7 Prepare for an Increasingly Older Population

Sustainable Community Strategy (SCS) Priorities

- 7.1** Over the next 15 years the number of people aged over 65 will increase dramatically. The SCS identifies two priorities for action in preparing for an increasingly older population in Cheshire East. These are:
- Help people stay fit and active for longer
 - Improve care and support for those who need it
- 7.2** An Ageing Strategy for Cheshire East will be published in April 2011 linked to the priorities for action within the SCS. The strategy will seek to maximise the opportunities for older people to stay fit for longer, remain within their own home and communities, as well as the opportunity to participate in hobbies, volunteering, employment and learning.
- 7.3** Transport provides an essential link to friends and family, as well as access to key services – a vital lifeline to maintaining independence. Lack of mobility can prevent older people from participating in social activities and lead to low morale, depression and loneliness^a. It is acknowledged that older people represent an enormous resource in terms of talent, experience and knowledge.

Evidence Overview

- 7.4** Cheshire East has an older age profile than the UK as a whole. Approximately 18.9% (68,400) of the population is over 65 compared to only 15.2% of UK residents. The percentage of people aged 85 and over is 2.6% (9,300) compared to 2.1% nationally.
- 7.5** In addition, Cheshire East has the fastest growing older population in the North West. By 2016, the population aged 65+ will increase by 29% and the population aged 85+ by 41.5%. The 2008 Community Survey identified that planning for the ageing population was one the top priorities for a good quality of life.
- 7.6** There are variations across the borough in the geographic distribution of the age of the population. For example, over 65's make up approximately 14.3% of the population of Macclesfield, whilst in Chelford 26.2% fall into the same age bracket. There are also variations in pensioner households living alone, ranging from almost 30% in the towns of Crewe and Macclesfield, to just over 10% in Macclesfield.
- 7.7** The dominant factor affecting older peoples transport use is health status, rather than age. The incidence of disability increases with age^b, as do general restrictions in mobility. Although increasing numbers of older people continue to drive for longer, the rising number of older people who prefer not to drive is likely to mean an increase in demand for accessible public transport to various destinations.

7 Prepare for an Increasingly Older Population

- 7.8** Over the next 15 years more attention will need to be paid to removing physical barriers to accessing public transport (e.g. steps on older buses and at rail stations) and ensuring that town centres footways are well maintained and safe for walking. These issues are discussed in detail in **Chapter 2: Sustainability**.
- 7.9** The increasingly older population will result in greater demand for healthcare and a key challenge for transport, in conjunction with service providers, will be making healthcare accessible. Indeed, another area where transport will play an increasingly important role will be on encouraging more physically active travel for health and fitness – this is examined in more detail in **Chapter 4: Health**.

Stakeholder Opinion

- 7.10** Stakeholder discussions of the transport issues associated with **preparing for an increasingly older population** were supportive of innovative ways of improving access to services and affordability of transport. The suggestions made were often cross-cutting to the other themes (e.g. public transport improvements, footway condition, promoting active lifestyles, etc.) and included the retention and possible expansion of the current discretionary elements of the concessionary travel scheme.
- 7.11** Enabling independent living and encouraging an active lifestyle were common themes and it was recognised that a collaborative approach with healthcare providers would be needed to deliver services more locally. Aspects of the **nurture strong communities** theme were also reflected in the discussions; with an aspiration to support community groups to provide services/transport for older residents expressed.
- 7.12** The targeted initiatives addressing the needs of the aging population were not specifically prioritised within the final workshop; however, the cross-cutting policy areas of community, accessibility of services and access for all were given prominence within the **nurture strong communities** theme and stakeholders felt that the needs of older people would be supported in these areas.

LTP Objectives

RELEVANT OBJECTIVES

Objective 2 (Accessibility): Improve access to key services (employment, education, health, shopping and leisure) and reduce the need to travel.

Objective 5 (Health): Support active and healthy lifestyles.

7 Prepare for an Increasingly Older Population

O: Sustainability Appraisal

- 7.13** This chapter only contains on policy which was found in the Sustainability Appraisal to have beneficial effects across the sustainability objectives below:
- 3 Minimise need to travel & sustainable modes...
 - 10 Economy & access to employment skills...
 - 12 Quality of life...
 - 13 Access to leisure and countryside...
- 7.14** The policy was found to have a neutral effect on nine sustainability objectives, these objectives were:
- 1 Biodiversity, habitats, geology...
 - 2 Flooding...
 - 4 Heritage & landscape...
 - 5 Pollution & climate change...
 - 6 Resources & green infrastructure...
 - 7 Energy...
 - 8 Design...
 - 9 Towns & local centres...
 - 11 Safety...
- 7.15** No negative effects were identified. As with the policies within the children and young peoples chapter, a number of benefits were registered within other chapters that would be relevant to supporting our ageing population (e.g. public transport policies in the sustainability chapter).
- 7.16** In conclusion, the Sustainability Appraisal of the policies within this chapter highlighted either beneficial or neutral effects.

Transport Challenges & Policy Solutions

- 7.17** Many of the transport challenges for older people are cross-cutting and relate to the policies and initiatives within other chapters of the LTP, particularly **Chapter 2: Sustainability** and **Chapter 5: Communities**.
- 7.18** However, the sections below outline the particular issues for older people concerning the availability of transport, physical accessibility and safety, affordability of transport and accessibility of services.

POLICY

Policy O1 Targeted Action for Older People: The Council will work with stakeholders to ensure that transport provision and facilities meet the needs of older people.

7 Prepare for an Increasingly Older Population

Availability of Transport

- 7.19** For many older people, driving or travelling as a passenger, can be a lifeline to maintaining their independence and preventing isolation. For the increasing proportion of older drivers, a number of measures could be implemented to assist older people. For example, driver assessment and training initiatives, as well as highly reflective road studs and road markings which can help with visibility, particularly in wet conditions.
- 7.20** However, despite the number of older driving licence holders, declining driving ability and financial constraints mean that many motorists will have to adjust their driving practices and ultimately could have to give up their car.
- 7.21** A high proportion of older people are dependent on public transport. The local bus network consists of fixed route services, complimented by flexible community transport solutions of both a general and specialised nature. Community transport is particularly valued by those unable to use conventional buses due to disability or mobility issues.
- 7.22** National research has shown that awareness of transport schemes for older people (e.g. Dial-a-Ride and shopmobility) can be low. This can mean that those with the greatest need fail to benefit from services that have been specially implemented to help them^C.

O1 Policy Initiative (Availability)

- 7.23** **Travel options awareness:** Use targeted promotion and marketing to ensure that people aged 65+ are aware of, and know how to use, pre-booked transport options such as Dial-a-Ride. Promotional activities will be linked to initiatives that develop capacity of pre-booked services. Examine ways of delivering targeted training in computer skills to our older population to enable easy access to on-line travel information.
- 7.24** **Older driver assessment and training initiatives:** Work with third party providers to promote and develop an older driver assessment and improvement scheme.

O1 Related Initiatives	Policy
Provision of high quality parking	B6 Parking
Shopmobility	C3 Access for all
Community-led initiatives	C1 Community
Supported services	S4 Public transport (Service Levels & Reliability)
Social care transport options	C3 Access for all

7 Prepare for an Increasingly Older Population

Physical Accessibility & Safety

7.25 Cheshire East's relatively fit and active population is something to celebrate, maintain and seek opportunities to improve. Encouraging older people to continue walking and cycling will contribute to a healthy older age and helping people to stay fit and active for longer.

7.26 However, older people often experience barriers to mobility and physical difficulties associated with walking and accessing public transport. Common concerns include poor condition of footways, inadequate crossing facilities, boarding/ alighting buses and trains, and steps at railway stations^d (also see **Chapter 5: Communities**).

7.27 Research commissioned by Age Concern and Help the Aged shows that over 800 older people per day fall whilst travelling on a bus and nearly two million are concerned about falling due to abrupt stop/starting^e. Other issues include moving off before passengers are seated, insufficient hand rails, overcrowding and erratic driving practices can increase the risk – and the perception of risk – of an accident. Such concerns can be addressed with improved driver training.

7.28 “Building Society for all Ages” (2009) proposes a range of national initiatives to improve transport for the older population. These include, for example, requirements that by 2020 all rail vehicles will have to meet accessibility standards and that all buses and coaches used on local scheduled services must meet accessibility targets by 2017. 62% of buses have already been made accessible.



Accessible bus

7.29 Older people can experience health issues that may weaken their ability to walk. Poorer vision and hearing, mobility difficulties, walking more slowly, problems with balance, reduced ability to make head and neck movements (affecting looking), reaction times and a reduced ability to change speed or direction quickly to avoid hazards.

7.30 Each year, 35% of over 65's experience one or more falls. About 45% of people over 80 who live in the community fall each year. Between 10-25% of such fallers will sustain a serious injury^f.

7.31 Pedestrians between the ages of 76 to 85 are at increased risk of death or injury per 1000 head of population than child pedestrians. However, the number of child pedestrian KSIs are greater^g. It is known with some certainty that the number of people aged over 65 will increase dramatically over the next 15 years, so there is a risk that the number of older pedestrians being killed or seriously injured will increase.

7 Prepare for an Increasingly Older Population

O1 Policy Initiative (Accessibility)

- 7.32 Targeted access improvements:** Improve the physical infrastructure most heavily used by our older population, such as provision of dropped kerbs, pedestrian crossing points and accessible bus stops. The focus will be on areas likely to make the greatest impact to the lives of older people, for example routes approaching community centres, care homes and healthcare centres. Furthermore, areas of the borough where the greatest mobility and disability problems exist will be targeted.

7 Prepare for an Increasingly Older Population

O1 Related Initiatives	Policy
Bus driver training	S4 Public transport (Service Levels & Reliability)
Target high risk groups	H1 Targeted Health Action
Target high risk groups	H6 Road Safety (Education)
Accessibility audits	C3 Access for all
Accessible vehicles	C3 Access for all

Affordability

7.33 In Cheshire East, around 4 million bus trips per year are undertaken by older people using concessionary fare discounts. Concessionary travel journeys now equate to 37% of all bus journeys undertaken in Cheshire East.

7.34 The English National Concessionary Travel Scheme (ENCTS) enables free bus travel after 9.30am to all eligible older people and disabled people. The concession provides greater freedom and independence to some of the most vulnerable people in our society, representing a major step forward in tackling social exclusion.



7.35 Cheshire East currently operate a number of discretionary enhancements to the scheme, such as half fare travel before 9.30am and the ability to use the pass on Dial-a-Ride services. The enhancements extend the advantages of the scheme, particularly for those who live in areas with limited bus services.

7.36 However, carers of older people currently pay full price which may result in problems of affordability – a further discretionary enhancement could include companion bus passes for carers at a reduced rate. In addition, taxi vouchers could be provided to residents who live where there are no fixed route bus services.

7.37 As part of the concessionary travel scheme, Cheshire East currently offers both the Senior Railcard and Disabled Persons Railcard to eligible residents at a discounted price through the power of bulk buying directly from National Rail.

7.38 The Senior Railcard is available to anyone over 60 whilst the Disabled Persons Railcard is available to people who meet the National Rail Disabled Criteria. This card also entitles a companion to travel at the same discounted price.

7 Prepare for an Increasingly Older Population

Y0 Related Initiatives	Policy
Monitor & review the fare structure	S4 Public transport (Fares & Ticketing)
Concessionary bus travel	C3 Access for all
Concessionary rail cards	C3 Access for all

Accessibility of Services

- 7.39** The ease of access to key services (e.g. healthcare, food shops, employment and education) is an important factor influencing the quality of life of older people, although it should be noted that most accessibility issues are addressed in **Chapter 5: Communities**.
- 7.40** The 2008 accessibility survey found that hospitals were the most difficult key service to access in Cheshire East, particularly for older people. There are large variations across the borough with regard to life expectancy factors, which will be a key consideration in service planning. The length of time people live with a limiting long term illness also varies considerably across the borough.
- 7.41** The Council will seek to influence any changes in the delivery of healthcare in the future, by working with service providers to consider the location, design and delivery of healthcare services. Future reforms may also impact on commissioning of health-related transport, so the Council will need to influence and respond to changing circumstances.
- 7.42** Many older people wish to maintain their independence when, for whatever reason, they feel unable to continue living in their own home. Extra Care Housing provides the opportunity to deliver this, with residents able to live independently with the backup of help and assistance if they require it. It is important that Extra Care Housing is located in areas with good access to services by walking, cycling and public transport.

O1 Policy Initiative

- 7.43** **Extra care housing:** Work with registered social landlords to guide and direct future developments of extra care housing provision in locations that are accessible to key services, families and friends by public transport, walking and cycling.

Y0 Related Initiatives	Policy
Local service delivery	C1 Community
Key service location	C2 Accessibility of services
Multi-use premises	C2 Accessibility of services

7 Prepare for an Increasingly Older Population

End Notes

- a. Older People: Their transport needs and requirements – Main report (Department for Transport)
- b. Labour Force Survey, June 2005
- c. Older People: Their transport needs and requirements – Main report (Department for Transport)
- d. Older People: Their transport needs and requirements – Main report (Department for Transport)
- e. Bus falls – Policy Update, Age Concern and Help the Aged, July 2009, Edition 114
- f. Falls and fractures, developing a local joint strategic needs assessment, Department of Health
- g. Cheshire Safer Roads Partnership, June 2010, Cheshire East: Road Traffic Collision Casualties 2005-2009 Profile Report

8 Unlock the Potential of Our Towns

8 Unlock the Potential of Our Towns

Sustainable Community Strategy (SCS) Priorities

- 8.1** The SCS identifies three priorities for action to unlock the potential of towns within Cheshire East:
- Regenerate Crewe;
 - Revitalise Macclesfield; and
 - Deliver sustainable growth for our towns.
- 8.2** Transport is fundamental to the success of towns – it supports the exchange of goods and services, it facilitates the participation in leisure, social and cultural activities, and it enables access to employment and education. Transport networks can therefore either help or hinder efforts to regenerate, revitalise or grow our towns. While the availability and quality of different modes of travel serving town will help determine whether growth can be sustainable for future generations.
- 8.3** A heavily congested road network that causes delays accessing town centres will be a deterrent to both business investment and visitor appeal – particularly where no effective alternative means of access exists by rail, bus, cycling or walking. It is clear too that many town centre highway networks do not have the capacity to efficiently deal with current vehicle numbers during peak hours. A “tool kit” of highway network management techniques can be employed depending on the circumstances of congestion – these are outlined in **Chapter 3: Business** and they range from relatively inexpensive signal timing improvements and parking enforcement, through to enormously expensive town centre bypass schemes. This tool-kit can be employed alongside initiatives to encourage mode-shift – i.e. enabling more people to travel by train, bus, cycling and walking to reduce congestion.



8 Unlock the Potential of Our Towns

- 8.4** Encouraging and enabling non-car access to town centres will not only help tackle congestion, but will also support access by the full spectrum of the community – from people with disabilities or mobility problems, young and older people who are unable or unwilling to drive, through to low income groups who are unable to afford car travel. Initiatives supporting non-car access to towns are set out in **Chapter 2: Sustainability**.
- 8.5** Finally, transport is also an issue to consider in the planning of towns in terms of accessible land use decisions. This seeks to plan the future development in towns in a way that will minimise unnecessary car use, by providing appropriate facilities and residential areas in close proximity or in locations connected by established public transport links. Issues of accessibility are included in both **Chapter 5: Communities** and **Chapter 2: Sustainability**.
- 8.6** One of the defining characteristics of Cheshire East is the distribution of settlements – with Crewe and Macclesfield being the largest developed areas in the borough and a series of vibrant market towns and smaller towns that offer a range of services. In addition, there are some major employment sites that are located outside these towns (e.g. Manchester Airport, Alderley Park and Pym's Lane) which provide an important employment function within the borough. This pattern of land use leads to a complex level of inter-dependency unlike many other local authority areas, which typically have one major urban area that serves as a focus for all activity (e.g. Warrington).
- 8.7** For transport to play its role in delivering sustainable growth in our towns, it is important to recognise the interrelationships which exist between Cheshire East's principal towns, key service centres and the surrounding small towns, villages and rural communities. Transport plays an important role in unlocking the potential of towns and enabling future development in these locations.

Stakeholder Opinion

- 8.8** The stakeholder engagement process highlighted the diverse nature of Cheshire East. Stakeholders made it clear that a unique approach to the transport issues in each town would be required to enable responsive delivery of the SCS at a local level.
- 8.9** In addition to discussion on the role of transport in towns to **create the conditions for business growth, create a sustainable future, nurture strong communities and improve health**, a range of specific issues were identified at key locations. These issues ranged from the need for improved traffic management through to requirements for drop-kerbs, dependent on local circumstances.
- 8.10** This feedback from stakeholders resulted in the Transport Frameworks for Towns approach set out within the **Policy T1: Towns**.

8 Unlock the Potential of Our Towns

LTP Objectives

RELEVANT OBJECTIVES

Objective 1 (Congestion): Minimise congestion in our urban areas and on important routes and improve the overall efficiency of the highway network.

Objective 2 (Accessibility): Improve accessibility to key services (employment, education, health, shopping and leisure) and reduce the need to travel.

Objective 3 (Maintenance): Improve maintenance of the highway and transport network.

Objective 4 (Community): Support community involvement and decision-making.

Objective 5 (Health): Support active and healthy lifestyles.

Objective 6 (Environment): Protect and enhance the local and global natural environment (including environmental assets such as biodiversity, geodiversity, soils and protected landscapes).

Objective 7 (Safety): Improve road safety for all users and increase personal and community safety.

Transport Challenges & Policy Solutions

- 8.11** Each of the towns in Cheshire East will need a tailored approach to address local concerns. For example, in some towns the overriding problem will be traffic congestion, while in others the greatest priority might be the need to improve pedestrian links or cycle routes. As such, each of the policies set out within this LTP will need to be appropriately implemented at local level in accordance with locally agreed priorities.
- 8.12** Communities and stakeholders often have strong views on the types of transportation intervention that would be most effective in their locality to solve local issues. This local knowledge is important to capture alongside the strategic concerns of the LTP, and in certain locations a large amount of consultation has already taken place (e.g. Crewe Vision and Macclesfield Town Centre Regeneration). The challenge is to deliver on local priorities in a way that complements and helps deliver the objectives for the borough as a whole.
- 8.13** When considering the future of towns, the LDF process will identify suitable housing and employment land for development, which will have local and strategic implications on the demand for transport infrastructure and services. As such, a mechanism will be needed that is capable of both considering existing

8 Unlock the Potential of Our Towns

problems locally and the potential new (or exacerbated) transport issues arising from new development – e.g. increased congestion at junctions, new rights of way required, or improved pedestrian environments.

8.14 Many small towns and rural communities have strong connections to the nearest significant town as the main location to access vital services including schools, shopping, healthcare and employment services. As such, the policies implemented as priorities in each of the towns will also need to relate to the challenges and problems faced by nearby small towns and rural communities. Local communities may wish to develop walking and cycling network plans as part of this process.

8.15 The LTP needs to support the SCS priorities to regenerate Crewe, revitalise Macclesfield and deliver sustainable growth in towns, it also needs to recognise the strategic importance of links to the Airport in unlocking the potential of towns such as Crewe, Wilmslow and Handforth. The approach taken to **Policy T1: Towns** is therefore driven by the diverse individual characteristics of Cheshire East towns and the recognition that in order to deliver on the LTP objectives different approaches will be required in different communities.



POLICY

Policy T1 Towns: Work with stakeholders and the community to develop a local approach to transport issues that helps address local priorities and deliver the strategic objectives of the SCS and LTP.

T1 Policy Initiative

8.16 **Transport Frameworks for Towns:** In order to ascertain local priorities and undertake locally specific discussion on transport issues, a series of Transport Frameworks will be prepared for each of the principal towns and key service centres (to be defined by the LDF).

8 Unlock the Potential of Our Towns

- 8.17** The aim of each document will be to provide an opportunity for people help define the transport priorities at a local level and set out these priorities in a structure consistent with the LTP. The document will also reflect any proposed land use changes arising from the LDF process. Locally defined priorities will then be used to guide implementation at a local level and seek to ensure delivery of the wider LTP objectives at a borough-wide level.
- 8.18** Each document will consist of a prioritised list of LTP policies accompanied by an outline of how the LTP policy will be implemented locally. These documents will be “owned” by the local community and will be used to develop local initiatives in the second implementation plan (to be prepared by 2014). *[Please note: the first implementation plan is being prepared to accompany the LTP and will set out implementation activities for the forthcoming three-year spending period, in line with LTP objectives and identified ward priorities].*
- 8.19** The aim will be to prepare all transport frameworks during years 1-3 of the LTP to help identify and prioritise initiatives within the second implementation plan. This will enable the framework documents to take account of proposed development implications and local community aspirations.
- 8.20** A large amount of development work has already been undertaken in Crewe and a draft Framework for Crewe is attached in **Appendix A** to illustrate the approach that will be rolled-out across the borough in years 1-3 of the LTP.

8 Unlock the Potential of Our Towns

Appendix A: Draft Transport Framework for Crewe

Appendix A: Draft Transport Framework for Crewe

Introduction

- 1 Crewe is one of the largest and most economically important places in Cheshire East. The town is home to one-third of Cheshire East's residents, around 5,000 businesses, and provides employment for some 60,000 people.
- 2 Crewe is well positioned with excellent strategic transport links provided by its close proximity to the M6 and density of train services serving Crewe station.
- 3 Crewe's "Strategic Framework for Economic Growth 2010-2030" describes the challenges for economic development and the role that transport needs to take to support the long-term prospects of Crewe's economy, businesses and community.
- 4 The strategic aim relating to accessibility in Crewe seeks to:
 - Facilitate more sustainable transport movements within and around Crewe.
 - Fully leverage Crewe's strategic transport gateway status.

- Establish a competitive and first rate Next Generation Broadband network across Crewe.
- Develop stronger economic links to neighbouring city-regions.

5 In terms of Crewe's physical development, liveability and local transport objectives, the strategic framework outlines aspirations to:

- Support significant population growth and enhancement of the area's housing offer through fully integrated urban extensions that are well served by public transport and mainstream service provision.
- Connect areas of opportunity with areas of need by developing effective local public transport networks.

Transport Challenges for Crewe

- 6 A number of underlying themes arise through the "vision" including tackling congestion, enhancing Crewe's role as a 'Gateway to the Northwest', improving public transport and providing quality, sustainable transport infrastructure.
- 7 There is a heavy reliance on access by private vehicle in Cheshire East. However, in the 2001 Census, the Crewe LAP area demonstrated the lowest levels of car use for commuter travel and the highest levels of travel by bus, motorcycle and bicycle. The number of people who travel to work on foot was also high compared to most LAP areas. These patterns would suggest that there is great potential in Crewe to increase the uptake of public

Appendix A: Draft Transport Framework for Crewe

transport and create substantial benefits from improvements in sustainable transport infrastructure provision.

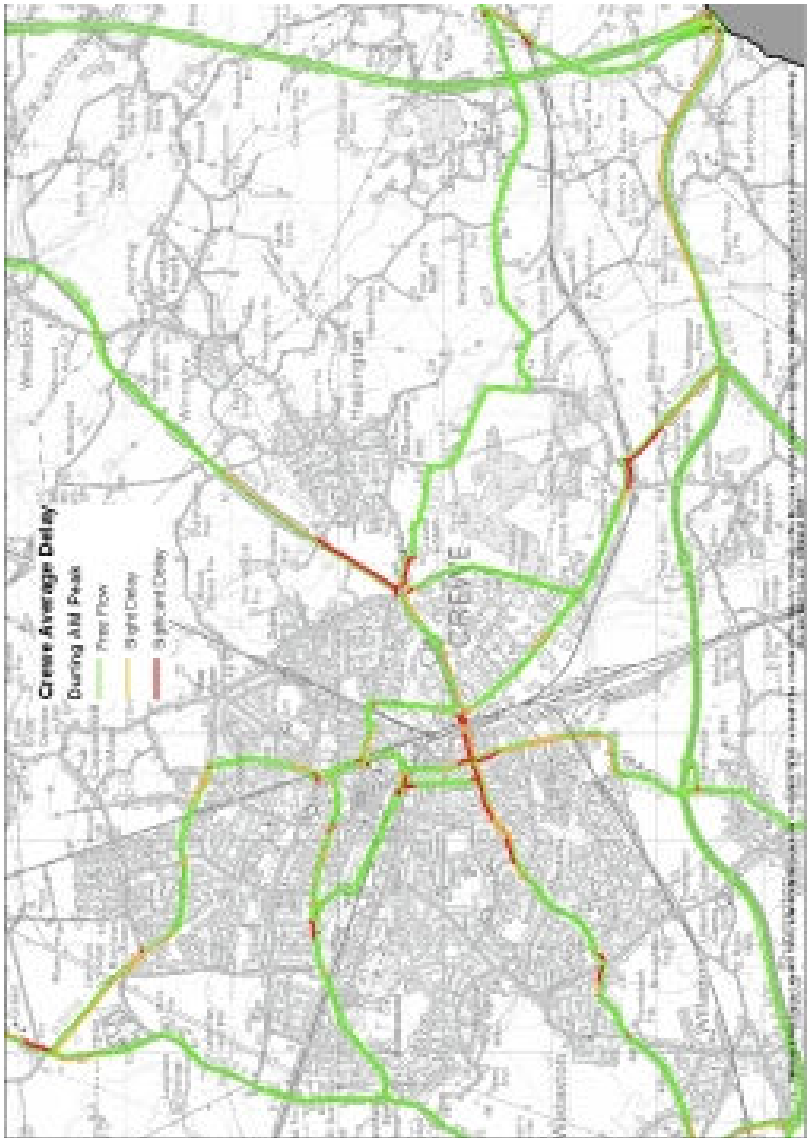
8

Road and pavement repairs were identified as the issue most in need of improvement (and amongst the highest in terms of making Crewe a good place to live) for residents in Crewe LAP, while traffic congestion was ranked as the 4th most important priority for

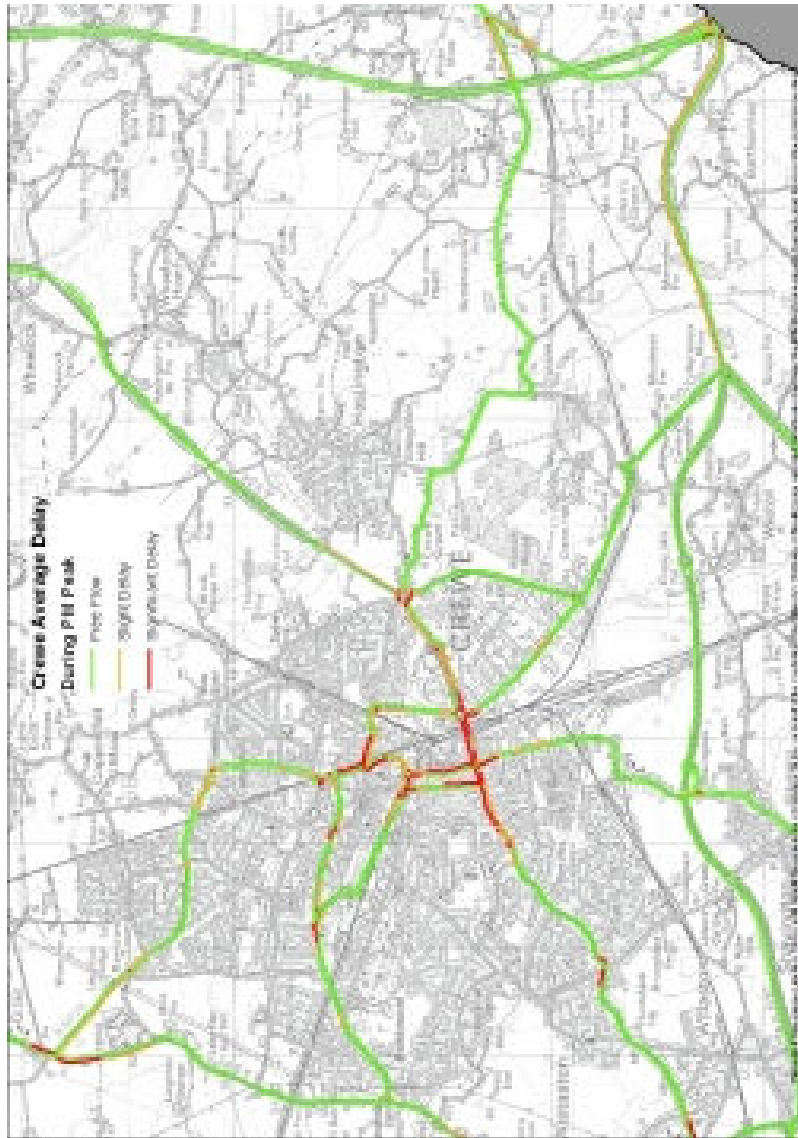
improvement^a. Congestion and community severance in Crewe are compounded by the un-bridged railway lines which dissect the town, while poor quality footpaths and road surfacing are a problem in key locations.

9

The map of average delay in Crewe (2009 data) illustrates the points on the highway network where the volume of traffic limits both the movement of cars and buses, and affects the reliability of public transport services.



Appendix A: Draft Transport Framework for Crewe



10

The A534 and A532 are of particular concern. Traffic on the A534 causes significant delay on Nantwich Road and around Crewe Railway Station (causing problems for bus-rail interchange reliability). The A532 runs close to Crewe town centre and experiences heavy traffic flow at peak times, limiting traffic circulation in the town centre.

11

There are also two Air Quality Management Areas in Crewe (Nantwich Road and Earl Street) that are directly linked to emissions from vehicles travelling along these roads. Policies to minimise congestion and reduce traffic levels along these routes will be important for improving air quality.

Appendix A: Draft Transport Framework for Crewe

- 12** Life expectancy and the age at which people experience a difficulty or limiting long-term illness is lower in Crewe than all other LAP areas⁶. This is linked to higher rates of deprivation and a higher percentage of residents who select an unhealthy lifestyle. The creation of an environment that encourages active travel (such as cycling and walking) has the potential to improve health and wellbeing. Localised areas of poor health also occur in Haslington within the Crewe LAP area.
- 13** The crime rate in Crewe and Haslington is also marginally higher than elsewhere in Cheshire East (though still comparatively low); however, there is no evidence that this crime rate is particularly related to transport.
- 14** Crewe benefits from a prime location on the West Coast Main Line and the M6 Motorway and serves as a 'Gateway' for people travelling both north and south. However, the quality of the existing public transport gateways, including the railway station and town centre bus station, create a poor first impression for visitors and do little to encourage people to use sustainable transport modes.
- 15** Additionally, access to the M6 J16 (via the A500 Barthomley link) can be hampered by congestion and poor journey time reliability.
- 16** A number of sites in and around Crewe have planning permission or have been identified as having strong development potential in the Councils Economic Development Strategy. Such sites, when developed, are likely to generate a significant amount of additional traffic on the highway network. This could, if not properly managed, exacerbate congestion problems on the highway network in and around Crewe. The Crewe Strategic Framework report also identifies poor public transport links exist between job growth areas in the University Quadrant, Crewe Business Park, Crewe Industrial Park and the West End (where deprived areas are located), presenting a transport barrier to employment.
- 17** The implications of new development proposals on the public transport and highway networks will be examined in conjunction with the Local Development Framework and will be incorporated into the LTP Implementation Plan and LDF Local Infrastructure Plan. For example, Basford is one of the North West's Strategic Regional Sites, and its size and location presents a significant strategic opportunity as the gateway to the North West. Crewe's "Strategic Framework for Economic Growth 2010-2030" identifies the potential to create high value, high technology employment uses for the site. Measures to unlock this potential will include implementing the Crewe Green Link Road Scheme and capacity improvements to Crewe Green Roundabout and the A500 Barthomley link road.

Appendix A: Draft Transport Framework for Crewe

Objective Statement for Crewe

RELEVANT OBJECTIVES

Objective Statement for Crewe: The Council will support agreed aspirations for economic growth and development in Crewe by seeking to strengthen national connectivity, reduce congestion and improve sustainable access to employment.

Policy Interpretation Table - Sustainability

SCS Theme	LTP Policy	Policy focus in Crewe	Delivery
Sustainability	Policy S1 Spatial Planning: Seek to minimise the future need to travel through a strategy in the Local Development Framework that focuses most new developments in locations where there are a good range of housing, jobs, shops and services already accessible by public transport, cycling and walking.	Implementation of planning policy in Crewe will be centred on fully understanding the transport implications of the Local Development Framework, influencing final strategic site selection around Crewe. Regard will also be taken of improving the links to the town centre by foot / bicycle from the railway station, along with the quality of streetscape.	Short-term
Sustainability	Sustainability Policy S3 Public Transport (Integration & Facilities): Work with passenger transport providers (bus, rail and community transport) to improve public transport integration and facilities.	Public transport policy implementation will focus on partnership arrangements to secure significant transformational improvements to the quality of Crewe Railway Station and forecourt bus/taxi interchange. Additional parking will be investigated at the railway station and Crewe Bus Interchange.	Medium linked with the West Coast re-franchising timescale.

Appendix A: Draft Transport Framework for Crewe

SCS Theme	LTP Policy	Policy focus in Crewe	Delivery
		<p>New funding and partnership opportunities will be investigated to encourage private sector investment in public transport facilities, particularly where these will support economic regeneration, inward investment and carbon reduction targets.</p> <p>Action will also be taken to support further rail electrification to improve services and reduce carbon emissions. Medium linked with the West Coast re-franchising timescale.</p>	
Sustainability	Policy S4 Public Transport (Service Levels & Reliability): Work with passenger transport operators (bus, rail, community transport & taxis) to explore improvements to service levels and reliability.	<p>Bus reliability issues in Crewe are a matter of concern and the implementation of this policy will focus on working with operators to improve timetable reliability. Bus service levels to the railway, town centre, MMU and business parks will also be reviewed alongside the potential for providing higher frequency evening services.</p>	Short-medium term
Sustainability	Policy S4 Public Transport (Service Levels & Reliability): Work with passenger transport operators (bus, rail, community transport & taxis) to explore improvements to service levels and reliability.	<p>Aspirations for re-opening the Middlewich rail line linking Crewe, Sandbach, Middlewich, Northwich and Knutsford will remain. A review of the latest business case will be undertaken if population, employment or travel patterns alter sufficiently to potentially influence the conclusions of this report.</p>	Long term
Sustainability	Policy S5 Public Transport (Information & Marketing): Work with passenger transport operators to promote the use of	<p>Focus on improved information displays and interpretation at Crewe bus station, with more timetables provided at bus stops. The use of public transport will</p>	Short-term

Appendix A: Draft Transport Framework for Crewe

SCS Theme	LTP Policy	Policy focus in Crewe	Delivery
	public transport through improved information and publicity.	also be promoted through the innovative and cost effective delivery of bus information to potential users.	
Sustainability	Policy S7 Walking: Work with stakeholders to improve facilities for walking so that it is attractive for shorter journeys.	Footway and footpath improvements are needed in a number of important locations including the town centre and links to the town centre from the railway station and Basford sites. This will include the provision of improved signage.	Short-term
Sustainability	Policy S8 Cycling: Work with stakeholders to improve facilities for cycling so that it is attractive for shorter journeys.	Crewe has great potential for increasing use of cycling due to its flat topography and existing levels of cycling. The implementation of a Cycling policy in Crewe will focus on ensuring new development provides cycle facilities and identifies opportunities to make cycling safer and more attractive than travel by car.	Medium-long term
Sustainability	Policy S9 Technology & Energy Efficiency: Encourage technological development in transport services in partnership with operators and will improve energy efficiency of transport infrastructure.	Work with providers to help ensure a competitive and first-rate broadband network across Crewe to support sustainable development and accessibility proposals.	Medium-term

Appendix A: Draft Transport Framework for Crewe

Policy Interpretation Table - Business

SCS Theme	LTP Policy	Policy Focus in Crewe	Delivery
Business Growth	Policy B1 Strategic Partnerships for Economic Growth: Work with neighbouring authorities, appropriate regional/sub-regional organisations, public transport operators and providers to enhance cross-boundary and strategic investment opportunities in transport.	<p>The implementation of strategic partnership policy within Crewe will focus on developing partnerships with the Highways Agency, Network Rail and train operators to establish stronger linkages to neighbouring city-region networks (including science, technology, innovation and business).</p> <p>The Highways Agency has an important role to play in promoting Crewe's location close to the M6 and as a North-South 'Gateway'. These connections and the effective management of the strategic road network will be vital in attracting future inward investment.</p> <p>Reinforcing Crewe's role as a rail 'Gateway' will also be important, particularly in relation to High Speed Rail development proposals. A strong partnership between the Council, Network Rail and the Train Operating Companies will be necessary to support Northern Rail Hub proposals and improve rail access to the airport.</p>	Short-term Medium-term
Business Growth	Policy B2 Enabling development: Seek to enable appropriate new development by supporting transport infrastructure,	Identifying tailored transport and accessibility improvement solutions for final site allocations. Investigations will include assessing the local impact of development proposals on	Medium-term

Appendix A: Draft Transport Framework for Crewe

SCS Theme	LTP Policy	Policy Focus in Crewe	Delivery
	regeneration and/or behaviour change initiatives that will mitigate the potential impact of new development.	the transport network and identifying need for improvement associated with potential sites.	
Business Growth	Policy B2 Enabling development: Seek to enable appropriate new development by supporting transport infrastructure, regeneration and/or behaviour change initiatives that will mitigate the potential impact of new development.	One component of the vision for Crewe is to enable high quality links between the railway station and the Basford development sites. The potential for 'Personal transport' (as seen at Heathrow airport) will be investigated.	Long-term
Business Growth	Policy B3 Network Management: Effectively manage the highway network to reduce the level of delay and provide for the needs of all road users including pedestrians, cyclists and motorists.	Implementation of network management policy in Crewe will focus on the congestion 'hotspots' and Air Quality Management Areas along Nantwich Road AQMA and Earl Street AQMA.	Short-term
Business Growth	Policy B4 Network Improvement: Work to improve the operation of the highway network for all users through provision of new and enhanced infrastructure.	Improvement to the highway network will also be delivered through the implementation of Crewe Green Link Road (South). This is identified as a cross-cutting initiative and is discussed in more detail the LTP. Short-medium term priority	Short / Medium term
Business Growth	Policy B5 Freight: Work with freight operators and organisations to establish appropriate freight routes, delivery routines and driver practices to minimise congestion and pollution.	The focus of freight policy implementation in Crewe will be on facilitating the development and use of rail-freight by Crewe-based businesses (Already a component of the agreed Basford West development.)	Medium-term

Appendix A: Draft Transport Framework for Crewe

SCS Theme	LTP Policy	Policy Focus in Crewe	Delivery
Business Growth	Policy B7 Business Innovation: Support businesses to reduce carbon emissions from transport and minimise car use.	The business transport innovation policy for Crewe will be important both for securing a robust and nationally-competitive Next Generation Broadband (NGB) infrastructure that effectively supports large-scale homeworking, raises productivity levels within the local economy, helps to address local congestion issues as well as supporting mainstream service delivery improvements.	Medium-term
Business Growth	Policy B8 Maintenance: Adopt a robust and efficient approach to maintenance to minimise deterioration in the highway network and associated infrastructure assets (lighting, street furniture etc.)	Public perceptions of road and pavement repairs in Crewe is currently poor and the focus of the maintenance policy will be on improving pavement condition at priority locations within the town centre, near bus stops, shopping areas and around community centres.	Short-term

Policy Interpretation Table - Health

SCS Theme	LTP Policy	Policy Focus in Crewe	Delivery
Health	Policy H2 Promotion of Active Travel and Healthy Activities: Work in partnership to promote walking, cycling and horse riding as active travel options and healthy activities.	Promoting cycling and walking as active and healthy forms of travel and as a means to reduce carbon emissions and to improve the health of Crewe's population.	Short-term
Health	Policy H4 Air Quality: Work to improve the quality of our air in Cheshire East.	Measures to improve air quality in the Air Quality Management Areas along Nantwich Road AQMA and Earl Street AQMA.	Medium-term

Appendix A: Draft Transport Framework for Crewe

Policy Interpretation Table - Communities

SCS Theme	LTP Policy	Policy Focus in Crewe	Delivery
Communities	Policy C2 Accessibility of Services: Work with partner organisations and local communities to make key services easier to access with a particular focus on disadvantaged groups and areas, including people living in rural areas, older people, young people and those without access to a car.	Access to work from areas of deprivation – particularly links to any new employment sites in Crewe – will be the focus of this policy in Crewe.	Medium term

Crewe Smarter Choices

18 Crewe Smarter Choices package will capitalise on Crewe’s potential to become a more sustainable town by investigating the potential for modal shift to reduce car use in the town centre by promoting alternative modes of transport as part of a packaged approach. This will be implemented in parallel to initiatives to improve services and facilities where possible in a corridor approach along key routes.

Major Scheme: Crewe Green Link Road (South)

19 For the full strategic potential of the Basford sites to be realised, the completion of the Crewe Green Link Road (CGLR) will be necessary. The first phase (North) was completed in 2004 and has played an important role in facilitating employment growth east of the town centre. Completion of CGLR South will facilitate the delivery of

Crewe’s vision for economic growth to 2030, which will see Basford East firmly established as one of the UK’s largest science-focused business parks with over 800,000 square feet of grade A accommodation, housing multi-national companies, leading edge logistics firms, university spin-outs and a wide range of technology-rich enterprises.

Basford Development Site & Crewe Green Link Road Proposals

20

The CGLR South will support sustainable economic growth and ensure that Crewe has the infrastructure needed as a key regional transport gateway. It will provide a link between areas of deprivation to the north of Crewe and employment opportunities to the south east. It will reduce traffic congestion, increase freight efficiency and reduce the impact of traffic on the local environment and local community.

Appendix A: Draft Transport Framework for Crewe

- 21

Crewe Green Link Road South will help deliver a range of policy aspirations for Crewe including:
- 22

S1 Spatial Planning aspirations to provide well-connected accessible sites.
- 23

S4 Public Transport (Service Levels & Reliability) to minimise delay for buses by reducing congestion, particularly in the vicinity of the railway station, while also offering the potential for new routes linking to new employment opportunities.
- 24

B3 Network Management & B4 Network Improvement to tackle congestion and air quality issues in Crewe.
- 25

B5 Freight to facilitate appropriate route choice and capitalise on Crewe’s “gateway” status.

Appendix A: Draft Transport Framework for Crewe

End Notes

- a. Cheshire Community Survey, 2008
- b. Health of the Population within Local Area Partnership Boards within Central and Eastern Cheshire, 2010

Cheshire East Council
Westfields
Middlewich Road
Sandbach
Cheshire
CW11 1HZ

www.cheshireeast.gov.uk

This information is available in other formats on request

COUNCIL MEETING – 24TH FEBRUARY 2011**Extract from the Minutes of Cabinet Meeting on 14 February 2011****MINUTE 134 INTERIM PLANNING STATEMENT ON AFFORDABLE HOUSING**

Consideration was given to the draft Interim Planning Statement on Affordable Housing, to responses received during the consultation process, and to proposed revisions in the light of comments made.

It was noted that since the report had been prepared it had been considered and approved by the Environment and Prosperity Scrutiny Committee at its meeting on 8 February. In addition, prior to the meeting, an amendment to correct a typographical error in the report was circulated.

The Council was due to consider the report at its meeting on 24 February 2011 and Cabinet recommended that: -

RESOLVED

Council adopts the Interim Planning Statement on Affordable Housing, set out in Appendix 2 of the report, subject to the revisions now reported, and agrees that it be used in the determination of planning applications.

[Note: The revisions and updates referred to above and set out in the enclosed Cabinet update have been incorporated into the Report and Appendices for Council]

This page is intentionally left blank

CHESHIRE EAST COUNCIL

REPORT TO: COUNCIL

Date of Meeting: 24 February 2011
Report of: Strategic Director - Places
Subject/Title: Interim Planning Statement on Affordable Housing
Portfolio Holder: Cllrs David Brown/Jamie Macrae

1.0 Report Summary

- 1.1 The Cabinet approved the draft Interim Planning Statement on Affordable Housing on 20th September 2010. This report considers the responses that have been received to the consultation that took place and proposes revisions to the draft Statement in the light of comments made.
- 1.2 The report has been considered by Strategic Planning Board on 26 January and their recommendations have been included in the report. The report has been considered by Environment and Scrutiny Committee on 8 February and Cabinet on 14th February.

2.0 Decision Requested

- 2.1 That Council adopts the Interim Planning Statement on Affordable Housing as set out in Appendix 2 and agrees that it be used in the determination of planning applications.

3.0 Reasons for Recommendations

- 3.1 To ensure that the Council has up to date planning guidance on affordable housing pending the adoption of a new Council wide policy in the Local Development Framework.

4.0 Wards Affected

- 4.1 All wards

5.0 Local Ward Members

- 5.1 All members

6.0 Policy Implications including

- 6.1 The Interim Planning Statement on Affordable Housing provides guidance on the delivery of policies on affordable housing. New housing is required to achieve high levels of energy efficiency and provide healthy living conditions.

7.0 Financial Implications (Authorised by the Borough Treasurer)

- 7.1 There are no operational financial implications of this statement as any change in officer time in negotiating schemes and S106 agreements will be managed within existing budgets.
- 7.2 Paragraph 2.13 of the Interim Planning Statement on Affordable Housing recognises that the requirements will result in a cost to the developer. This in turn will impact on the value of any land that the Council sells for housing.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 The Town and Country Planning Act requires that in dealing with a planning application the authority shall have regard to the provisions of the development plan and all other material considerations. It will be argued that as this policy has gone through the consultation procedure, and following adoption, it should be given substantial weight by members and inspectors in deciding individual applications and appeals.

9.0 Risk Management

- 9.1 The 2010 Strategic Housing Market Assessment has demonstrated the continuing high level of demand for affordable housing throughout the Borough that warrants an increase in the target for the amount of affordable housing to be provided on development sites. Without the introduction of the Interim Housing Policy on Affordable Housing, a lower level of affordable housing would be provided.

10.0 Background and Options

- 10.1 The Council has inherited three different planning policies for affordable housing in the Local Plans of the predecessor district authorities. The Crewe and Nantwich and Congleton Borough Local Plans both seek a minimum target of 30% affordable housing on allocated and windfall sites. The Macclesfield Borough Local Plan requires a minimum of 25%. Differences exist in the threshold at which the affordable housing requirement is applied. The Macclesfield Local Plan does not contain a rural exceptions policy whereas the other two Local Plans do, albeit with slightly different wording
- 10.2 The three current Local Plans recognise that there may be instances when the level of affordable housing provided on individual sites might be influenced by economic viability issues. However, over the past 12 to 18 months, there has been an increasing number of occasions when developers have sought to provide a significantly lower level of affordable housing on sites due to viability issues which have been brought into sharper focus due to the down turn in the UK housing market. There is a lack of a clear framework for evaluating viability issues for individual planning applications.
- 10.3 An Interim Planning Statement on Affordable Housing was produced therefore to address these issues. The Planning Statement is intended to provide updated guidance on affordable housing provision, with particular reference to the determination of planning applications where there is an affordable

housing requirement and to ensure consistency of approach in negotiating the provision of affordable housing. The Interim Planning Statement on Affordable Housing also addresses the increasing number of issues surrounding development economics and the viability of providing affordable housing.

- 10.4 Members will recall that at the Cabinet meeting on 20th September 2010 it was agreed that, subject to the endorsement of the document by the Strategic Planning Board, a draft Interim Planning Statement on Affordable Housing was approved for consultation purposes, and agreed that it be treated as a material consideration in the determination of planning applications pending the adoption of the finalised document in such a format as may be appropriate following the consultation process.
- 10.5 The document was subsequently endorsed by the Strategic Planning Board at its meeting on 6th October 2010 and was subject to public consultation between 8th November and 17th December 2010. Notification of the consultation was sent to all town and parish councils, statutory consultees, organisations, businesses and individuals registered on the LDF database. A press release was issued and publicity given on the Council's website. The document was made available for inspection at the Council offices and libraries and on the Council's website.
- 10.6 During the consultation period 233 representations were received from 39 respondents. A full report of consultation setting out full details of the comments received can be viewed on www.cheshireeast.gov.uk/ldf
- 10.7 Appendix 1 contains a summary of the consultation responses and the Council's comments to them with recommendations for revisions to the Interim Planning Statement, where appropriate. It is also proposed to amend the document to refer to the Regional Spatial Strategy for the North West which has now been reinstated as part of the Development Plan and other minor typographical errors. Once Regional Spatial Strategies have been revoked as part of the Localism Bill, references contained in the Interim Planning Policy Statement on the Release of Housing Land will no longer apply and will be removed.
- 10.8 A copy of the Interim Planning Statement on Affordable Housing incorporating these amendments is contained in Appendix 2.
- 10.9 The revised Interim Planning Statement on Affordable Housing will be used in the determination of planning applications and appeals. The Policy will remain in force until such time as new affordable housing policies are in place through the Local Development Framework Core Strategy and Site Allocations and Policies Documents. The effectiveness of the Policy will be kept under review as part of the Local Development Framework Annual Monitoring Report.

11.0 Access to Information

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

Name: Richard House
Designation: Local Development Framework Manager
Tel No: 01270 686612
Email: richard.house@cheshireeast.gov.uk

**Interim Planning Statement on Affordable Housing
Responses to comments received during consultation**

COMMENT	RESPONSE AND RECOMMENDATION
<p>A number of respondents have argued that the Council is endeavouring to introduce targets for affordable and low cost housing through the IPS whereas they should be included in the Local Development Framework. Paragraph 6.1 of PPS12 states that SPDs should not be prepared to avoid the need for examination. The requirement for low cost market housing is a new policy to Crewe and Nantwich and Macclesfield and Macclesfield Local Plan requires 25% affordable housing.</p>	<p>Whilst the establishment of an affordable housing policy for Cheshire East will be undertaken as part of the Local Development Framework, the Core Strategy is unlikely to be adopted until the end of 2013. It is important, in the light of new evidence of affordable housing need across the Borough which has emerged in the Strategic Housing Market Assessment, that interim policy is put in place as soon as possible to provide a consistent approach to achieving affordable housing through the planning process.</p> <p>Recommendation 1: No Change</p>
<p>The targets for affordable housing have not been fully tested for their impact on viability and practicality of housing development as required by PPS 3 and PPS 12.</p>	<p>As part of the work carried out on the Strategic Housing Market Assessment, a robust assessment of the viability of affordable housing targets was undertaken. The assessment indicated that a 35% target was a viable policy option. The viability assessment was agreed by the Housing Market Partnership. The interim policy statement seeks a 30% target only which is considered should generally have no impact upon the viability of development schemes.</p> <p>Recommendation 2: No Change</p>
<p>The expression of the target of 30% affordable housing as a target implies that the Council may seek a higher proportion of affordable housing on a particular scheme and that the burden of demonstrating why this is not possible will be placed on developers. The Council should therefore state that the affordable housing requirement will be 30% subject to viability and other considerations.</p>	<p>The targets for affordable housing in the three existing adopted local plans are expressed differently; Congleton as a minimum, Crewe and Nantwich as a maximum and Macclesfield unqualified. In order to achieve consistency and certainty for developers it would preferable that the target in the IPS should be expressed as a minimum target of 30%.</p> <p>Recommendation 3: No Change</p>
<p>The contribution to affordable housing on all sites of three or more dwellings or 0.2 acres in size in settlements of less than 3,000 population is unviable.</p>	<p>The need for affordable housing in our smaller rural communities is significant and all opportunities to provide affordable housing should be utilised. The interim policy statement provides for flexibility in individual cases where it can be satisfactorily demonstrated that viability is</p>

	<p>an issue.</p> <p>Recommendation 4: No Change</p>
<p>The Council cannot specify the size, type, tenure and price of market housing. This would be contrary to PPS3. The requirement for 25% low cost market housing is therefore unacceptable.</p>	<p>The Strategic Housing Market assessment provides evidence that not only is there a substantial need for affordable homes but that there is a need for smaller market housing to meet the needs of first time buyers across the Borough . it is reasonable therefore for the interim policy to endeavour to secure this across the Borough and not solely in the former Congleton Borough where such a policy has been successfully operated for a number of years.</p> <p>Recommendation 5: No Change</p>
<p>There is no basis in policy or viability to require the Code for Sustainable Homes standards to be applied to affordable homes if there is no grant available. The Government has cancelled the proposed requirement for the Homes and Communities Agency for affordable dwellings to be built to Level 4 of these standards.</p>	<p>In the light of the Government's decision to cancel the proposed move to Level 4 of the Code for Sustainable Homes in respect of the Homes and Communities Agency funding regime, it would be unduly onerous for the Council to require this standard. It is recommended therefore that Level 3 should be minimum requirement although we would encourage Level 4 wherever possible.</p> <p>Recommendation 6: Revise Para 4.9 to read “<i>affordable homes..... should achieve at least Level 3 of the Code for Sustainable Homes (2007) and will be expected to achieve at least Level 4 by 2013.</i>”</p>
<p>The requirement for the affordable units in a development to be provided not later than the sale or let of 50% of the open market housing is unreasonable because the sale of market houses helps to finance the cost of the affordable units and because this would preclude the ‘pepper potting’ of the affordable units throughout the development which the Council requires.</p>	<p>It is accepted that the requirement for all affordable units to be provided prior to 50% of the open market housing being completed can act against ‘pepper potting’ of affordable homes throughout a scheme. It is would be appropriate therefore for the document to be amended to require all affordable units to be provided prior to 80 % of open market housing in schemes with a high degree of ‘pepper potting’.</p> <p>Recommendation 7: Revise paras 4.10 and 5.3 to refer to all affordable units to be provided prior to 80 % of open market housing in schemes with a high degree of ‘pepper potting’</p> <p>Add the following at the end of paras 4.10</p> <p><i>“However, in schemes that provide for a phased delivery and a high degree of</i></p>

	<p><i>‘pepper potting’ of affordable homes, the maximum proportion of open market homes that may be completed before the provision of all affordable units may be increased to 80%”</i></p> <p>Revise para 5.3 to read</p> <p><i>“the Council will expect that the provision of affordable housing element will be phased in accordance with Para 4.10 of this Statement”.</i></p> <p>Delete “available and ready for occupation before 50% of the market housing is sold”.</p>
<p>The requirement for affordable housing to remain so in perpetuity is unacceptable to lenders at present and represents a significant obstacle to delivery of affordable housing.</p>	<p>The requirement for affordable housing to remain so in perpetuity is enshrined in the adopted local plan policies for the three predecessor authorities and should remain the baseline position. The document should however refer to occasions where the discount in Discounted Housing for sale may be purchased and the subsidy to be recycled. This should only be allowed at the discretion of the Council.</p> <p>Recommendation 8: Add the following at the end of para 2.6 to refer to the possibility of the discount to be purchased and the subsidy to be recycled but only in exceptional circumstances and at the discretion of the Council.</p> <p><i>“At the discretion of the Council and in exceptional circumstances there may be occasions when it would be appropriate to allow for the discount to be purchased and the subsidy to be recycled.”</i></p>
<p>The Homes and Communities Agency has no mechanism for entering into partnership with non Registered Social Landlords.</p>	<p>Agreed</p> <p>Recommendation 9: Amend Paras 2.3 and 2.13 to delete reference to bodies other than RSL’s entering into partnerships with the Homes and Communities Agency.</p>
<p>The document should refer to key worker eligibility for affordable housing</p>	<p>Agreed</p> <p>Recommendation 10: Add the following to the end of para 2.9.</p> <p><i>“In addition an applicant may be eligible if he/she is a key worker and contributes to</i></p>

	<i>the local community.”</i>
Rural exception schemes should accord with the Council's strategic priorities	<p>Agreed</p> <p>Recommendation 11: Add the following as the penultimate sentence in para 3.10:</p> <p>“In addition the provision needs to meet the strategic priorities of the Council in relation to the development of affordable housing in rural areas. These will be contained in the Housing Strategy for Cheshire East which is due to be published in spring 2011”.</p>
All rural exception sites should be in sustainable locations.	<p>Agreed, rural exceptions sites should not be developed in isolated locations, but should be located close to villages.</p> <p>Recommendation 12: Revise para 4.1 to clarify this:</p> <p>“All affordable housing should be located on sites <i>which contribute to the creation of mixed and sustainable urban and rural communities</i>”</p>
Improvements to the section on New Build Homebuy are proposed to ensure that it better reflects current Government legislation	<p>Recommendation 13: Revise paragraph 2.4 as follows</p> <p>.....Additional shares can be purchased which will enable a resident to increase their equity share in the property <i>and in many cases buy the final share and own the whole home.</i> However, in 2009 the Government introduced new legislation whereby most of the rural parts of Cheshire East Council became ‘Designated Protected Areas’ whereby new affordable shared ownership dwellings in these areas would be subject to requirement that owners are either not able to acquire more than 80% equity in a property or if they acquire 100% equity, it has to be sold back to the RSL to retain as affordable housing in perpetuity. <i>When staircasing has taken place the additional payments will be recycled and used for affordable housing in Cheshire East.</i> The Council normally expect all schemes to <i>be transferred to</i> and managed by a RSL although consideration will be given to other suitable providers. In such cases legal restrictions on eligibility and rental levels will be necessary (see Section 5).</p>

Cheshire East

Interim Planning Statement on Affordable Housing



February 2011

Contents

1	Introduction	2
2	Delivering Affordable Housing	7
3	Site Specific Requirements for Affordable Housing	12
4	Development Considerations for Affordable Housing	15
5	Agreements for Securing Affordable Housing	17
6	Viability of Affordable Housing Provision	19
7	Rural Exceptions	20

Appendices

1	Viability of Delivery of Affordable Housing	23
2	Model Housing Needs Survey Form	24

1 Introduction

1 Introduction

1.1 The document relates to the provision of all forms of affordable housing by developers on housing sites within the Borough. As such it sets out the Council's definition of affordable housing and specific site requirements, as well as providing guidance on development considerations and means of securing their provision. It also sets out the Council's requirements for achieving mixed and balanced communities including the housing needs of specific groups.

1.2 This Interim Planning Statement (IPS) has been produced within the framework of the three adopted Local Plans for the former District authorities of Crewe and Nantwich, Congleton and Macclesfield, the Council's Strategic Housing Market Area Assessment (SHMA) and government guidance as expressed in national planning guidance and policy statements. It is also consistent with the Council's Corporate Objectives and the Sustainable Community Strategy.

1.3 The production of the IPS has been necessary because of changes to Government guidance since the Local Plans were adopted and sets out how that guidance will be applied pending the production of the Cheshire East Local Development Framework Core Strategy. It also reflects up to date housing need information for the Borough contained in the 2010 Strategic Housing Market Assessment. The IPS also addresses the increasing number of issues surrounding development economics and the viability of providing affordable housing.

Creating Balanced and Mixed Communities

1.4 A community's need for an appropriate balance and mix of housing including the provision of affordable housing is recognised at national level as a material consideration in determining planning applications for housing development. Government policy is to create sustainable communities that offer a wide range of housing and are socially inclusive.

1.5 Although the Borough has a stock of good quality housing with relatively low vacancy rates, in many areas there is an imbalance in the type and tenure of available housing. There is a need to ensure that future housing development in Cheshire East helps to support economic growth by providing for a range of income groups. This includes housing for economically active households seeking open market dwellings; households requiring affordable housing (both social rented and increased diversity of options through intermediate tenure). Such an approach will help to maintain long-term community sustainability and enhance the quality of life for local residents

1.6 The 2010 SHMA demonstrates strongest aspirations for traditional houses (three bedrooms in particular) from groups most likely to be economically active. It identifies a need to stimulate the housing market at all levels to ensure an adequate supply to accommodate a range of household types and income levels. Evidence suggests that across Cheshire East there is considerable market imbalance, with demand exceeding supply. Preferences are predominantly for houses (76.9%), followed by bungalows (15.4%) and flats (7.8%). Aspirations are therefore traditional and a key challenge is to reconcile this with development opportunities and site density requirements.

1 Introduction

1.7 In addition the SHMA identifies that, based on CLG modelling, there is a net shortfall of 1,243 affordable homes each year across the District for the five year period 2009/10 to 2013/14. On this basis there is both a clearly identified need for more affordable housing, but there will not be sufficient supply side opportunities through which this can be addressed. It is therefore important that the Council establish an affordable housing target within its LDF policies that secures a proper balance between the provision of affordable and market housing, reflecting the needs in Cheshire East.

1.8 In order to address these deficiencies and needs, the Council will expect that all sites for new housing developments contribute to the creation of balanced and mixed communities. Mixed and balanced communities are those which provide a mix of tenures, dwelling types and sizes appropriate to the needs of the local community. This is recognised at national, regional and local level as being important to achieving social diversity and avoids creating concentrations of deprivation. The extent to which a site can contribute towards achieving this mix will be dependent on the size of the site and other factors such as site characteristics, site suitability and economics of provision - on larger sites there will clearly be greater scope to provide a range of different house types and tenures.

1.9 Whilst it is expected that general market housing will continue to make a significant contribution to meeting future housing needs, the Council gives priority to addressing other forms of housing to ensure that the Borough's housing needs are properly met. The IPS seeks to address principally those other forms of housing - affordable housing, low-cost market housing, special needs housing etc. – which are required to create properly balanced and mixed communities.

The Borough's Need for Affordable Housing

1.10 The 2010 SHMAA shows that In terms of relative affordability, Cheshire East is ranked the 8th least affordable District in the North West. The SHMAA found a high level of need for affordable housing in the Borough with an estimated annual requirement of 1243 additional affordable homes per year.

1.11 The main need for affordable housing provision is for social rented accommodation but the SHMAA identifies that 35% of households in need would consider intermediate tenures

1.12 Analysis suggests that around 54.2% of annual affordable requirement is likely to be satisfied through existing supply and an element of newbuild (which varies by the former districts: in the former Crewe and Nantwich 60.3% of requirement is likely to be satisfied, Congleton 58.2% and Macclesfield 46.9%).

1.13 Analysis of affordable housing requirements suggests that a range of affordable dwellings are required, in particular two and three bedroom general needs properties to address the needs of families. It is important that particular care is taken to ensure that properties are built to reflect the demand from families and in the interests of long-term community sustainability.

1 Introduction

Background, National and Regional Policy

1.14 Planning Policy Statement 3 Housing (issued in 2006 and amended in 2010) states the national policy context for affordable housing.

1.15 Paragraph 29 of PPS3 states what should be included in Local Development Documents with regard to targets and specific details for the amount, type, size etc of affordable housing and these documents must be based on robust, shared evidence base, through a Strategic Housing Market Assessment (SHMA).

1.16 Paragraph 30 goes on state the advice for affordable housing in rural communities, mentioning local authorities adopting a positive and pro-active approach which is informed by evidence, with clear targets for the delivery of rural affordable housing. Where viable and practical, LPA's should consider allocating and releasing sites solely for affordable housing, including using a Rural Exception Site Policy. These small sites should only be used for affordable housing in perpetuity and the policy should seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection.

1.17 *At the regional level, the North West Regional Plan (policy L5) requires local authorities, using the results of up to date Strategic Housing Market Assessments and local studies, to address the need for more affordable housing and identify the methods by which they will aim to introduce an element of affordable housing into residential and mixed use development schemes, ensuring long term provision and availability in perpetuity, which may include the need to set conditions relating to occupancy.* Local policy is provided by the adopted Local Plans of the three former District Authorities as expanded on below. It should be noted that all three Local Plans and the Congleton Supplementary Planning Document 6 predated the publication of PPS3 in 2006.

Crewe and Nantwich Borough Local Plan

1.18 Policy RES 7 of the Crewe and Nantwich Replacement Local Plan (2005) sets a target of a maximum of 30% affordable housing on allocated housing sites and on windfall sites. In relation to windfall sites, the threshold for application of the policy is sites of 25 units or more or greater than 1.0 hectares in size. However in settlements of less than 3,000 population or less a lower threshold of 5 units is applied and exceptionally, where there is a proven need, the threshold is sites of more than 1 unit.

1.19 The Policy states that, in determining whether a site is suitable for an element of affordable housing, the local planning authority will take into account:

- Whether the existing affordable housing stock meets the identified need
- The proximity of the site to local facilities and public transport
- The targets in the plan derived from the 2005 Housing Needs Survey
- The suitability of the site for housing and
- Economics of provision

1 Introduction

1.20 This policy was modified by the former Crewe and Nantwich Borough Council in November 2005 to increase the affordable housing target to 35% and to lower the threshold to sites of 15 units or more or greater than 0.5 hectares in size. This reflected the findings and recommendations of the 2005 Housing Needs Survey for the former Borough of Crewe and Nantwich. The policy is therefore a material consideration, when dealing with planning applications. The modified policy could not, however, be saved by the Secretary of State under the Direction issued in February 2008.

Congleton Borough Local Plan and SPD 6

1.21 Policy H13 of the Congleton Borough Local Plan First Review (2005) states that the Council will negotiate the provision of an appropriate element of affordable housing on allocated sites and on unidentified housing sites of 1 hectare or more or comprising 25 or more dwelling units. The scale and nature of provision will be determined by local need, site characteristics, general location, site suitability, economics of provision, proximity to local services and facilities and other planning objectives.

1.22 Policy H13 is supported by the Supplementary Planning Document No.6 'Affordable Housing and Mixed Communities', which was adopted by Congleton Borough Council on 27th April 2006. On all sites which have been allocated for new housing in the Local Plan, the SPD states that the Borough Council will negotiate for the provision of a specific percentage of the total dwelling provision to be affordable homes. The desired target percentage for affordable housing for all allocated site is a minimum of 30%, in accordance with the recommendation of the 2004 Housing Need Survey.

1.23 The SPD also states that the Planning Authority will negotiate for the provision of an appropriate element of the total dwelling provision to be for affordable housing on all unidentified 'windfall' sites of 0.5 hectare or 15 dwellings or more. The exact level of provision will be determined by local need, site characteristics, general location, site suitability, economics of provision, proximity to local services and facilities, and other planning objectives. However, the general minimum proportion of affordable housing for any site will normally be 30%.

1.24 On allocated sites and windfall sites which are subject to an affordable housing requirement, there is also a requirement for 25% of dwellings to be 'low cost market housing'.

Macclesfield Borough Local Plan

1.25 Policy H8 and its supporting Reason set out and explain the position with regard to affordable housing requirements. Generally the policy provides that in developments of 25 or more dwellings, or on residential sites of 1 hectare or more, irrespective of the number of dwellings, the Council will negotiate for the provision of 25% of the dwellings as affordable housing.

1.26 Policy H8 also states that in settlements in rural areas with a population of 3,000 or fewer, the council will negotiate for a proportion of affordable housing to be provided on every housing proposal, where justified by reference to an assessment of housing needs and the available supply of land for housing.

1 Introduction

1.27 The policy states that in determining the level of affordable housing on specific sites, site suitability, economics of provision, the need to achieve a successful housing development and site size will be taken into account.

2 Delivering Affordable Housing

2 Delivering Affordable Housing

Definition of Affordable Housing

2.1 The government has defined affordable housing in Planning Policy Statement PPS3 'Housing' in November 2006 (revised 2010) as follows:

"It should meet the needs of households who are unable to access or afford market housing. It should be available at a cost low enough for them to afford, determined with regard to local incomes and local house prices. Its supply should include provision for the home to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

It can be:

- social rented (owned and managed by councils or registered social landlords); or
- intermediate housing (available at prices and rents above those of social rent, but below market levels)."

Acceptable Forms of Affordable Housing

2.2 As indicated above affordable housing may take the form of social rented or intermediate housing. Intermediate housing includes shared ownership schemes, discounted housing for sale and intermediate rent. Details of each of the main types are given below, although the Council will consider any other means of achieving affordable housing appropriate to the development:

Social Rented Housing

2.3 This refers to the provision of rented accommodation which is provided at levels no higher than the Homes and Communities Agency (HCA) target rents. The Council will normally require all social rented housing to be developed and managed by RSLs (Registered Social Landlords) as these organisations have as their prime objective the provision of social housing and are regulated by the HCA. Where an RSL is involved there are normally no reasons for the Council to impose legal restrictions on allocation, future occupation etc, other than those required to restrict eligibility on rural schemes (see Section 5). ~~Consideration will, however, also be given to other suitable providers of social rented housing undertaken in partnership with the HCA, but in such cases legal restrictions on eligibility and rental levels will be necessary (see Section 5).~~ The local authority will require, in the first instance, 75% nomination rights to all social rented properties and 50% on subsequent lettings. In order to ensure a balanced community is achieved, a local lettings policy may also be applied as stipulated within the Cheshire Homechoice service.

New Build Homebuy (Shared Ownership)

2.4 New Build Homebuy is a way of helping households to buy a share in their own home even though they cannot afford the full market value. The household purchases a share usually between 25 – 75% and pays rent on the remaining proportion to the managing Registered Social Landlord (RSL). Additional shares can be purchased which will enable a

2 Delivering Affordable Housing

resident to increase their equity share in the property **and in many cases buy the final share and own the whole home.** However, in 2009 the Government introduced new legislation whereby most of the rural parts of Cheshire East Council became 'Designated Protected Areas' whereby new affordable shared ownership dwellings in these areas would be subject to requirement that owners are either not able to acquire more than 80% equity in a property or if they acquire 100% equity, it has to be sold back to the RSL to retain as affordable housing in perpetuity. **When staircasing has taken place the additional payments will be recycled and used for affordable housing in Cheshire East.** The Council normally expect all schemes to be ~~transferred to developed~~ and managed by a RSL although consideration will be given to other suitable providers. In such cases legal restrictions on eligibility and rental levels will be necessary (see Section 5).

Discounted Housing For Sale

2.5 This refers to the provision of subsidised low-cost market accommodation through a re-sale covenant scheme. The principle is that the accommodation is available at a fixed discount below the open market value to households in need. The level of discount will be that which is required to achieve the maximum selling price determined by the Council for those in need locally who cannot afford to buy on the open market.

2.6 The individual circumstances of each case and the area will be taken into consideration and will need to be negotiated with the Council prior to the determination of the relevant planning application. Evidence has shown that in order to achieve an affordable price, the level of discount will normally be required to be a minimum of 30% and up to 50% of the market price. The discount applies on initial and all subsequent re-sales thus ensuring that the accommodation is retained as affordable. Further information on the operation of re-sale covenant schemes is available on request. Discounted housing for sale will normally be provided by a private developer, in which case it should be subject to a satisfactory arrangement to ensure that the benefit of below market price housing is available in perpetuity to future occupants. **At the discretion of the Council and in exceptional circumstances there may be occasions when it would be appropriate to allow for the discount.**

2.7 The Council will consider other forms of discounting housing for sale that meets its affordable housing objectives.

Intermediate Rent

2.8 This is housing that is a step between social rented and renting at full market value. Intermediate rents are lower than full market rents but higher than social rents.

Eligibility Requirements

2.9 The underlying criteria for eligibility to affordable housing is that households must be in unsuitable housing and unable to afford to rent or buy on the open market. This is the Council's definition of housing need for affordable housing. **In addition an applicant may be eligible if he / she is a key worker and contributes to the local community.**

2.10 If an RSL is to manage the affordable housing, either for rent or sale, then the Council is satisfied that this will be sufficient to control both eligibility and future occupancy.

2 Delivering Affordable Housing

2.11 If affordable housing is developed by other housing providers the Council will require arrangements in place to ensure that any accommodation is available to those in housing need, as defined by the Council. Priority will also be required to be given to persons with a direct connection to the location of the scheme – location being defined as the catchment area for the property as agreed with the Council. In this respect direct connection would be defined as currently living in the location, having a first line relative currently living in the location (having been there over 5 years), or currently in employment in the location.

2.12 In the case of rural exceptions site schemes further occupancy criteria, generally as set out below, will need to be followed, in addition to the main housing need requirement. The details of such criteria will be the subject of discussion with the relevant Parish Council (See Section 7)

Criteria for Rural Exception Sites

- Occupancy will generally be restricted to a person resident or working in the relevant locality, or who has other strong links with the relevant locality.
- The locality to which the occupancy criteria are to be applied will need to be agreed with the Council prior to determination of the relevant planning application. Generally this is taken as the Parish or adjoining Parishes.
- To ensure an adequate supply of occupiers in the future, the Council will expect there to be a "cascade" approach to the locality issue appropriate to the type of tenure. Thus, first priority is to be given to those satisfying the occupancy criteria in relation to the geographical area immediately surrounding the application site, widening in agreed geographical stages.

House Prices and Rent Levels

2.13 Social Rented and Intermediate Rented Accommodation - where an RSL is involved rental levels will be set at an affordable level by the RSL itself. For social rented accommodation provided by other providers ~~this must be in partnership with the Homes and Communities Agency and~~ the rental levels will also need to be clarified with the Council to ensure they are set at an affordable level. For intermediate rental schemes, rents are typically at no more than 80% of market levels. In all cases a Section 106 Agreement will be required to ensure that rental levels remain affordable

2.14 New Build Homebuy (Shared Ownership) - where an RSL is involved the rental element will be set at an affordable level by the RSL itself but will need to be clarified with the Council. For shared ownership provided by other providers this must be in partnership with the Homes and Communities Agency and the rental element will also need to be clarified with the Council to ensure they are set at an affordable level. In such cases a Section 106 Agreement will be required. As indicated in Para 2.4 above, in most of the rural areas of the Borough, the Government has applied restrictions on the amount of equity that an owner is able to acquire. The house price of each property will be based on the open market value prevailing at the time of marketing the property as agreed with the Council, less a discount off open market value.

2 Delivering Affordable Housing

2.15 Discounted Housing for Sale - the house price of each property will be based on the open market value prevailing at the time of marketing the property as agreed with the Council, less the appropriate discount to achieve the agreed maximum selling price based on evidence contained in the SHMA and as updated annually by the Council's Housing Section. A Section 106 Agreement will be required to ensure that the level of discount remains in force for all initial and subsequent re-sales.

Resourcing an Affordable Housing Scheme

2.16 The Council recognises that requiring developers to develop or to allow parts of their site to be used for non-market affordable housing will result in a cost to the developer. Developers should assume that no social housing grant is available to support the provision of affordable housing. Therefore, in order to offset these costs developers will be expected to take the requirement for affordable housing into account when negotiating land value with site owners.

2.17 Where an RSL is to be involved the developer will be required to subsidise the cost of providing the housing either through the provision of land or the building of the accommodation or through a financial contribution such as to enable the property to be sold or rented at an affordable level without the need for social housing grant. In such cases, the number of units and the developer's contribution will normally be expected to reflect the total cost of the required affordable housing minus the capital element that can be serviced through the rents.

2.18 Where funding is provided towards a scheme by the Homes and Communities Agency, there must be evidence that the grant is adding value over and above that which would be obtained without the funding.

Use of Financial and Other Contributions In-Lieu

2.19 As a rule, the Council would prefer to see affordable housing provided on-site. This is in line with Government guidance to encourage the development of sustainable and balanced communities. However, there may be physical or other circumstances where an on-site provision would not be practical or desirable. Such circumstances might include where:

- the provision of the affordable housing elsewhere in the locality would provide a better mix of housing types
- management of the affordable dwellings on site would not be feasible
- it would be more appropriate to bring back existing vacant housing into use as affordable units
- the constraints of the site prevent the provision of the size and type of affordable housing required in the area

2.20 In such exceptional cases and entirely at the Council's discretion, developers may, in lieu of such provision, provide off-site affordable housing, or offer financial or other contributions towards the provision of affordable housing on an alternative site.

2 Delivering Affordable Housing

2.21 Where a financial contribution is offered, the amount of such contribution will normally be expected to reflect the cost necessary to facilitate an equivalent amount of affordable housing as would have been provided on-site. The amount of any contribution will need to be agreed with the Council. Where off-site provision is made by the developer or as a result of any financial contribution, this should be in a location elsewhere within the Borough where there is an identified need.

How to Achieve Affordable Housing

2.22 The policy requirement to provide affordable housing places an onus on the developer and/or landowner of a site to consider its provision prior to the sale or acquisition of a site.

2.23 To be accepted by the Council as affordable housing it must accord with the Council's definition of affordable housing as set out in this IPS, be of a suitable type and size, be on a suitable site and be subject to adequate arrangements to ensure its provision and continued occupancy by appropriate households. The IPS sets out precisely what those requirements are and all developers are expected to adhere to them.

2.24 Where a site meets the criteria for affordable housing as set out in the IPS, the Council will produce a Housing Needs Statement (HNS) for the site based upon current information. The HNS will set out the affordable housing needs of the area and the Council's requirements for the site in terms of the most appropriate mix of affordable house types and advise on the most appropriate means of securing their provision. Developers are therefore advised to approach the Council and seek early involvement of an RSL prior to submission of a planning application to enable negotiations to be entered into at an early stage.

2.25 Achieving affordable housing will require liaison between the developer and the relevant Sections of the Council. Depending on the nature of the housing it may also be appropriate to involve any third party responsible for managing the scheme and the Homes and Communities Agency in discussions. The agreed provision will then be secured through the use of planning obligations attached to the approved scheme.

2.26 In respect of rural exceptions schemes, the Council will require that a local housing needs survey is carried out before submitting a planning application in order to determine the extent of any need.

3 Site Specific Requirements for Affordable Housing

3 Site Specific Requirements for Affordable Housing

Allocated Sites

3.1 On all sites which have been allocated for new housing in any of the Congleton, Crewe and Nantwich and Macclesfield Local Plans, the Council will negotiate for the provision of a specific percentage of the total dwelling provision to be affordable homes. The desired target percentage for affordable housing for all allocated sites will be a **minimum of 30%**, in accordance with the recommendations of the 2010 Strategic Housing Market Assessment. This percentage relates to the provision of both social rented and/or intermediate housing, as appropriate. Normally the Council would expect a ratio of 65/35 between social rented and intermediate housing. In addition, the Council will require the provision of an element of the market housing to be unsubsidised low-cost market housing (see para. 3.13).

Windfall Sites - Settlements of 3,000 Population or More

3.2 Planning Policy Statement 3 'Housing' states that the minimum site-size threshold above which affordable housing is to be sought should be 15 dwellings or more. The Council will therefore negotiate for the provision of an appropriate element of the total dwelling provision to be for affordable housing on all unidentified 'windfall' sites of 15 dwellings or more or than 0.4 hectare in size.

3.3 The exact level of provision will be determined by local need, site characteristics, general location, site suitability, economics of provision, proximity to local services and facilities, and other planning objectives. However, the general minimum proportion of affordable housing for any site will normally be 30%, in accordance with the recommendation of the 2010 Strategic Housing Market Assessment. This proportion relates to the provision of both social rented and/or intermediate housing, as appropriate. In addition, the Council will require the provision of an element of the market housing to be unsubsidised low-cost market housing (see para. 3.13). Where a scheme is for 100% affordable housing, an RSL should be involved in managing a proportion of the units in order to achieve a mix of tenures.

3.4 On sites below the size threshold the provision of affordable housing will not be a material consideration in determining the application, but developers are invited to consider making provision for an element of such housing as part of the overall scheme. In particular, the Council may seek the provision of an element of unsubsidised low-cost market housing in some areas to overcome deficiencies in this sector of the market.

3.5 In applying the size threshold, site areas will normally be measured to the natural, physical perimeters of the site. It will not be acceptable for developers to divide a site into smaller components in order to take the site below the threshold.

Windfall Sites - Settlements of Less Than 3,000 Population

3.6 Planning Policy Statement 3 'Housing' states that local authorities may wish to set lower minimum thresholds in rural areas where viable and practical this approach is supported by the 2010 Strategic Housing Market Assessment, subject to substantiating evidence.

3 Site Specific Requirements for Affordable Housing

3.7 Monitoring has shown that in settlements of less than 3,000 population the majority of new housing has been delivered on sites of less than 15 dwellings. The Council will therefore negotiate for the provision of an appropriate element of the total dwelling provision to be for affordable housing on all unidentified 'windfall' sites of 0.2 hectares or 3 dwellings or more in all settlements in the rural areas with a population of less than 3,000 population. The exact level of provision will be determined by local need, site characteristics, general location, site suitability, economics of provision, proximity to local services and facilities, and other planning objectives. However, the general minimum proportion for any site will normally be 30%. This proportion includes the provision of social rented and/or intermediate housing as appropriate. In addition, the Council may seek the provision of an element unsubsidised low-cost market housing (see para. 3.13).

3.8 On small sites the Council may agree that a payment in lieu of on-site provision is more appropriate to enable the affordable housing needs of the area to be met through provision elsewhere in the area or by other means, such as rehabilitation of empty properties. On sites below the size threshold the provision of affordable housing will not be a material consideration in determining the application, but developers are invited to consider making provision for an element of such housing as part of the overall scheme. In particular, the Council may seek the provision of an element of unsubsidised low-cost market housing in some areas to overcome deficiencies in this sector of the market.

3.9 In applying the size threshold, site areas will normally be measured to the natural, physical perimeters of the site. It will not be acceptable for applicants to divide a site into smaller components in order to take the site below the threshold.

Rural Exception Sites

3.10 Planning Policy Statement 3 'Housing' advises Local Planning Authorities to consider releasing sites solely for affordable housing in rural areas where planning permission for housing development would not normally be allowed. The Congleton and Crewe and Nantwich Local Plans both contain policies for these 'rural exception sites'. Such sites must be close to existing or proposed services and facilities. Proposals must be for small schemes appropriate to the locality and consist in their entirety of subsidised housing that will be retained in perpetuity for rent, shared ownership or in partnership with a RSL. In all such cases they must be supported by an up-to-date survey identifying the need for such provision within the local community. The Council's Rural Housing Enabler can give advice on the methodology for the survey which should normally be carried out either by, or in association with, the Parish Council. Unless the survey indicates a need for such provision, planning permission will not be granted. ***In addition the provision needs to meet the strategic priorities of the Council in relation to the development of affordable housing in rural areas. These will be contained in the Housing Strategy for Cheshire East which is due to be published in Spring 2011.*** Section 7 of this statement gives further information on how Parish Councils can assist in the delivery of affordable homes to meet the needs of their communities.

3 Site Specific Requirements for Affordable Housing

3.11 As the release of such sites will be an exception to normal planning policy, the location, scale, layout, density, access and design of any proposed scheme will be critical in determining whether it is acceptable. The 'Rural Exceptions' policy does not apply to proposals for individual homes in the rural areas not forming part of an overall affordable housing scheme, and consequently such proposals must accord with normal planning policies for the area.

Retirement Housing Schemes

3.12 Recently some innovative models of private sector housing for older people have been developed, including retirement and extra care villages. These schemes are characterised by the availability of varying degrees of care, 24 hour staffing and ancillary facilities. The Council recognises that such models can contribute to meeting affordable and special needs housing, thus the Council will seek an affordable housing contribution from these schemes in accordance with paragraph 3.2 above.

Low Cost market Housing Provided Without Subsidy

3.13 Low-cost market housing provided without subsidy cannot be regarded as affordable housing. However, it does have an important role to play in meeting the needs of households with income levels just adequate to access the open market. Because of the nature of the housing stock in the Borough there is a shortage of housing at the lower end of the market range. The Council will therefore normally require any new housing development of 10 dwellings or more to provide an element of its market housing units as unsubsidised low-cost market housing. Generally, and in addition to the requirement for affordable housing, the Council will look for a **minimum of 25%** of the total housing units on such sites to be unsubsidised low-cost market housing, although the nature of the site, economic considerations, the level of affordable housing provision, its location and nearby provision will be taken into consideration in determining the exact level of provision.

3.14 To be acceptable, unsubsidised low-cost market housing must be designed in an appropriate manner to be able to be more affordable than most general market housing in the area by virtue of its size, accommodation and amenities. The level of house prices for low-cost market housing for sale will be set by the developer but should be competitively priced to attract those who cannot afford existing housing in the locality. Usually this implies housing priced in the lower quartile of house prices for the area averaged over the most recent 12 months. The Council will also normally require all such housing to meet the dwelling type and size preferences set out for affordable housing property in para. 4.5.

3.15 Such forms of housing are usually provided by a private developer and are not subject to any eligibility or tenure controls by the Council, although there may be controls on the type of property and a requirement to ensure that the property is made available at an initial sale price in the lower quartile of house prices for the area.

4 Development Considerations for Affordable Housing

4 Development Considerations for Affordable Housing

Location

4.1 All affordable housing accommodation should be located on sites which ~~are sustainable~~ **and** contribute to the creation of mixed **and sustainable** urban and rural communities. Wherever feasible and practicable, priority should be given to the use of previously developed (brownfield) sites in sustainable locations and to the reuse and conversion of existing buildings, particularly buildings which are of architectural or historic interest. All proposals will be required to accord with the policies of the adopted Local Plan in respect of their location.

Dwelling Types

4.2 The provision of affordable housing must be appropriate in size and type to meet the needs of specific households identified by the local authority as part of its strategic assessment of housing need. Wherever possible any affordable housing scheme should incorporate a range and mix of affordable house types although it is recognised that in smaller schemes the range and mix will be more limited.

4.3 The 2010 Strategic Housing Market Assessment indicates that in terms of affordable housing tenure, there is a requirement for both affordable homes for rent and intermediate housing options. a tenure target that matches the stated preferences of the target households of 35% intermediate and 65% social rented is considered appropriate to maximise the benefits of financially efficient intermediate housing options.

4.4 Where there is an identified need, affordable housing may also include other forms of dwelling types, such as communal flats, bungalows and sheltered accommodation, which are suitable for accommodating households with special needs e.g. elderly, physically disabled or those with learning disabilities.

4.5 In terms of property size and type, the requirements identified indicate a range of needs with some variation across the Borough. The appropriate mix of affordable housing should therefore be considered for each specific location. Overall, the 2010 Strategic Housing Market Assessment indicates that affordable needs are for the additional supply to be

- 14% for older persons comprising one or two bedroom units
- 50% one or two bedroom properties for general needs. Note that these figures combine the data for one bedroom (20%) and two bedroom (30%) as the long-term sustainability of small units should be carefully considered against the needs and demand.
- 23% three-bedroom and
- 13% four bedroom or larger.

4.6 With regard to the type of properties, in order to achieve mixed and tenure-blind developments, it is desirable that the affordable homes match the types being provided for the open market. The identified property preferences (house 42.3%, flat 38.7% and bungalow 19%), indicate that a range of types is appropriate.

4 Development Considerations for Affordable Housing

Design and Layout

4.7 The Borough Council recognises that dwellings are more likely to be affordable in comparative terms if the development in which they are comprised is at a relatively high density. On sites well served by public transport or close to the town centre, higher densities of development are particularly appropriate.

4.8 The design of new housing developments should ensure that affordable homes are integrated with open-market homes to promote social inclusion and should not be segregated in discrete or peripheral areas. Affordable homes should therefore be 'pepper potted' within the development. The external design, comprising elevation, detail and materials, should be compatible with open market homes on the development in question thus achieving full visual integration.

4.9 Affordable homes should be constructed in accordance with the standards proposed to be adopted by the Homes and Communities Agency and should achieve at least Level ~~43~~ of the Code for Sustainable Homes (2007) **and will be expected to achieve at least level 4 by 2013**. The design and construction of affordable housing should also take into account forthcoming changes to the Building Regulations which will result in higher build standards particularly in respect of ventilation and the conservation of fuel and power.

Phasing

4.10 In order to ensure the proper integration of affordable housing with open market housing, particularly on larger schemes, conditions and/or legal agreements attached to a planning permission will require that the delivery of affordable units will be phased to ensure that they are delivered periodically throughout the construction period. ***The actual percentage will be decided on a site by site basis but the norm will be that affordable units will be provided but in any event not later than the sale or let of 50 % of the open market homes. However, in schemes that provide for a phased delivery and a high degree of 'pepper potting' of affordable homes, the maximum proportion of open market homes that may be completed before the provision of all affordable units may be increased to 80%.***

5 Agreements for Securing Affordable Housing

5 Agreements for Securing Affordable Housing

General

5.1 The Council will require any provision of affordable housing and/or any control of occupancy in accordance with this **Statement SPB** to be secured by means of planning obligations pursuant to Section 106 of the Town and County Planning Act 1990 (as amended).

5.2 The Agreement will cover the number, type and size of units; their availability; need and affordability; price control and agreed tenure. In some instances it will address issues of periodic viability reviews where a reduced or nil element of affordable housing has been agreed.

5.3 Where any element of affordable housing is to be comprised in a larger development which also includes market housing, the Council will expect that **provision of** the affordable housing element will be **phased in accordance with Paragraph 4.10 of this Statement**. ~~available and ready for occupation before 50% of the market housing is sold or let.~~ The Council will therefore require the Agreement to contain an obligation restricting the developer from allowing the sale or letting of an appropriate proportion of the market housing until the affordable housing element is built and ready for occupation.

5.4 In all cases where an RSL is to be involved in the provision of any element of affordable housing, then the Council will require that the Agreement contains an obligation that such housing is transferred to and managed by an RSL and that it should only be used for the purposes of providing housing accommodation to meet the objectives of an RSL as set out in the Housing Act 1996.

Need and Affordability

5.5 The Council regards the involvement of an RSL in any element of affordable housing as a sufficient guarantee of need and affordability without any additional control. In all other cases of affordable housing, the Council will require the Agreement to contain an obligation to make the affordable housing available to those in housing need and at less than the market price or rent in perpetuity, so far as the law allows, in accordance with the guidance set out in this Policy Statement

Tenure

5.6 The Council will require the Agreement to contain obligations appropriate to each tenure. Thus, where a development contains an element of affordable housing that is to be available for rent, the Council will require the Agreement to contain an obligation that any such housing is to be managed by an RSL or other agreed landlord.

5.7 Where a development contains an element of affordable housing that is to be available for sale or shared ownership, then the Council will require the Agreement to contain adequate principles of a scheme that has already been approved in advance by the Council or alternatively the Agreement may reserve the Council's right to approve a specific scheme prior to implementation.

5 Agreements for Securing Affordable Housing

Dwelling Types and Sizes

5.8 If the relevant planning application is in outline only, then the Council will require that the Agreement must stipulate ***an acceptable range for*** the number, type, tenure and size of all affordable housing units.

5.9 If the relevant planning application is a detailed application, then the Council will require that the Agreement contains an obligation that the affordable dwellings are to be built in accordance with the details comprised in the approved application as regards number, type, design, tenure and size of each dwelling.

Price and Rent Control

5.10 Where a development contains an element of affordable housing that is to be available for sale, the Council will require that the Agreement sets out the formula to be applied to achieve the desired level of discount in perpetuity. Where a development contains an element of affordable housing that is to be available for intermediate rent, the Council will require that the Agreement sets out the provisions and safeguards to achieve an affordable rent in perpetuity.

Rural Exception Sites

5.11 In addition to the above requirements, the Council will require the Agreement to contain obligations which adequately reflect the occupancy criteria and the locality criteria referred to in para. 2.9.

Use of Financial or Other Contributions

5.12 Where developers offer financial or other contributions towards the provision of affordable housing on an alternative site in the locality, and it is agreed by the Council that this is an acceptable means of providing affordable housing, the Borough Council will expect the Agreement to contain obligations relating to the provision of such contribution.

6 Viability of Affordable Housing Provision

6 Viability of Affordable Housing Provision

6.1 National Planning Policy as set out in PPS3 'Housing' requires Local Planning Authorities to set economically viable targets for affordable housing. Consequently the targets set out in the Statement have been independently tested for economic viability through the Strategic Housing Market Assessment and are appropriate for use in current market conditions.

6.2 Nevertheless, as made clear in Section 3 of this Statement, the viability of individual schemes will be a material consideration in deciding planning applications. Since 2008 there has been significant downturn in the housing market and particularly on brownfield sites where costs of redevelopment are proportionally higher than greenfield sites. Developers have sought and continue to seek to negotiate a lower (or in some cases nil) provision of affordable housing on the basis that the Council's normal requirements would render redevelopment unviable. It is important therefore that a clear methodology for testing the viability of specific development proposals is established.

6.3 Accordingly the Council will require applicants, who are suggesting that exceptional financial circumstances exist to the extent that the Council's requirements for affordable housing cannot be achieved, shall provide a robust development appraisal and appropriate supporting evidence with their application when submitted.

6.4 Prior to submission the Council will expect that applicants' development appraisals shall have been independently verified by an external valuation expert. The costs of this independent verification shall be borne by the applicant. The external valuation expert to be used shall be previously agreed by the Council.

6.5 The minimum level of information that should be included in such a development appraisal is set out in Appendix 1 of this statement.

6.6 Where it is accepted by the Council that a development is not sufficiently viable to provide the requisite level of affordable housing, and where the development is in all other respects acceptable, it may consider requiring the applicant to enter into a legal agreement which effectively defers developer contributions during the period of development. More detail on this approach is contained in the Home and Communities Agency Good Practice Note on Investment and Planning Obligations (July 2009), however the broad principles are explained below.

6.7 In these circumstances subject to the developer agreeing to initially provide the proportion (if any) of the affordable housing that the development appraisal indicated was viable, a further payment in lieu of the remaining affordable housing would become payable if and when there was an increase in the achieved sale values of the dwellings compared to the values assumed in the development appraisal. The calculation of further payments would be at agreed periods during the life of the development. This mechanism would only apply once development had commenced.

7 Rural Exceptions

7 Rural Exceptions

7.1 Generally planning policies do not allow for new housing development in the open countryside outside of villages with settlement boundary lines. However in certain circumstances planning permission may be granted for small schemes of affordable housing where;

- The site adjoins the settlement boundary of a village or is within a village with no settlement boundary
- There is an identified need for affordable housing in that village or locality
- All the proposed housing is affordable, for people with a local connection and will remain affordable in perpetuity
- The development is in accordance with other local plan policies

7.2 The Council considers that the development of affordable housing in rural areas is best achieved in partnership with Parish Councils and local communities. For that reason the Council has appointed a Rural Housing Enabler who will provide Parish Councils with independent advice, support and information in developing a local affordable housing scheme.

Identifying Local Housing Needs

7.3 The first stage will be a rigorous assessment of local housing needs by means of a survey of all households in the Parish. The Rural Housing Enabler will advise on the detailed wording of the survey form, however a model form is attached at Appendix 2 of this Statement.

7.4 The survey will provide evidence of the level of need based on the number of households living in unsuitable accommodation or living with relations. It will give an idea of the potential number and type of dwellings that may be required and any specialist requirements (i.e disabled adaptations).

7.5 The Rural Housing Enabler, in conjunction with the Parish Council, will then undertake an analysis of the survey results.

Site Assessment

7.6 Subject to a need being identified, the next stage will be to identify a suitable site. The Parish Council would be expected to play an important role in site identification having an in depth local knowledge, although it will be important to involve the Council's Planning Officers to ensure that sites are suitable in terms of landscape impact, access, flood risk, nature conservation etc.

7.7 Priority will be given to sites within or on the edge of villages with a reasonable level of services and public transport. Clearly it is crucial that the landowner of any identified site is supportive of it being developed for affordable housing. Rural exception sites work because of the low values of the sites concerned. For this reason the inclusion of open market dwellings to subsidise the overall scheme is unacceptable and landowners should be made aware of this at the outset.

7 Rural Exceptions

Development Partners

7.8 Normally a Registered Social Landlord (RSL) will be identified to lead the development process and to provide long term management of the resultant scheme. The RSL will undertake detailed site investigations, negotiate with the landowner to acquire the site and apply for planning permission. In designing the scheme prior to submitting a planning application, the RSL will be expected to work closely with the Parish Council and Council Planning Officers to achieve a suitable design and layout. The exact number and type of dwellings will necessarily depend upon the nature of the site and the level of identified need, however these types of development should be small scale and integrate well into the existing village scene.

7.9 A local consultation event will normally be held to allow local people the opportunity to comment on the plans before a formal planning application is submitted.

Implementation

7.10 Once planning permission has been granted the site may be developed and the dwellings built will be let to local people. In most cases the dwellings will be sold to an RSL which will then allocate or sell the properties to local people in housing need. The planning permission will be subject to a legal agreement that ensures that the dwellings will remain affordable to meet local needs in perpetuity. The legal agreement will also restrict occupancy of the dwellings to people who either live in the area or have strong local connection. In those cases where shared ownership housing is provided, it is likely that there will be restrictions on 'staircasing' (i.e. the level of equity in a property that the owner is able to secure) as explained in Para 2.4 of this document.

7.11 In the rare event that a property cannot be let to a person who either lives locally or has strong local connections, the legal agreement will include a cascade mechanism to ensure that an affordable dwelling is not left empty. In these circumstances a property may be let to a person who lives in a neighbouring parish or failing that other people on the Council's Housing Register. (See Para 2.9 above)

Appendices

Appendix 1 Viability of Delivery of Affordable Housing

Appendix 1 Viability of Delivery of Affordable Housing

The Council will expect an 'open book' type of approach by the developer when considering evidence supplied about viability. The following gives an indication of the type of information that will be required from the developer in order for an assessment of viability to be carried out. All information supplied should be independently verified at the developer's cost by experts previously agreed by the Council.

REVENUES

- Gross Internal floor area of the properties
- The anticipated total sales value of the market housing.
- The anticipated value of the 30% affordable housing provision
- Affordable Housing Grant

COSTS

- Marketing and sales costs associated with the sales of the dwellings.
- Site acquisition costs including legal costs, stamp duty, fees etc.
- Build costs
- Preliminaries indicating what are included.
- Fees e.g. architect, quantity surveyor etc
- Planning and building control costs
- Site infrastructure to include site roadways, landscaping, boundary treatment etc
- Costs of finance including interest rate and term
- Other Section 106 costs such as external highways works, public open space, community benefits or infrastructure etc.
- Abnormal costs (i.e. not known at time of site acquisition)
- Developer's profit margin.
- Contingencies

Appendix 2 Model Housing Needs Survey Form

Appendix 2 Model Housing Needs Survey Form



Rural Housing Needs Survey

☐ ☐ ☐ ☐

Whether you consider yourself to have a housing need or not, the information that you provide is highly important, so please spend a few minutes filling in this form. The more information that we collect, the more accurate this survey will be. Please note all information provided will be treated in the strictest confidence.

To be completed by the householder (If a joint household can one person please complete)

Please cross one answer per question unless otherwise instructed, and keep the cross in the box. ☒

Q1. Which parish do you currently live in? (See accompanying letter for assistance and write in below)

For office use only

If you are not sure, could you please provide us with your postcode

Q2. How many people live in your household? (Including yourself)

Enter a number in the box (e.g. 02)

Adults (16 and over)

Children (under 16)

Q3. In which of these ways does your household occupy your current accommodation?

Tied accommodation

☐

Owner occupier

☐

Private renting

☐

Other (please specify)

☐

Housing assoc. renting

☐

Q4. Are you, the householder, currently needing alternative accommodation in your local area?

Yes ☐

No ☐ If no, go to question 6

Q5. Please indicate why you need alternative accommodation? (Please cross all that apply)

Need larger accommodation

☐

Need permanent accommodation
(If living in short term let)

☐

Need smaller accommodation

☐

Need to be closer

☐

Need independent accommodation

☐

to a carer or dependent

☐

Need Level or
physically adapted accommodation

☐

Other reason (please specify)

☐

Need to be closer to employment

☐

Need cheaper home

☐

Appendix 2 Model Housing Needs Survey Form

--	--	--	--

Q6. Do any other members of your household wish to form a new household inside Cheshire East within the next 5 years and need their own accommodation?

Yes ☐

No ☐ If no, go to question 20

Q7. How many members of your household wish to form a new household inside Cheshire East within the next 5 years and need their own accommodation?

One

☐

Two

☐

Three or more

☐

For the following questions up to question 19, please consider the one household member who requires the move earliest.

Q8. What would be the total annual income of the new household?

(We understand you may prefer not to answer this question but it would help us get the right mix of rented and subsidised ownership on any new sites if we know what people can afford to pay. Please note that this answer will remain confidential.)

Under £15,000 ☐

£25,000 - £30,000 ☐

£15,000 - £20,000 ☐

£30,000 - £35,000 ☐

£20,000 - £25,000 ☐

Over £35,000 ☐

Prefer not to say ☐

Q9. Who is looking for accommodation?

Daughter or son

☐

Other (please specify)

☐

Q10. When is the move required?

Within 1 year

☐

Between 2 & 3 years

☐

Between 1 & 2 years

☐

Between 3 & 5 years

☐

Q11. Taking into account the cost of housing in your area what type of tenure would they realistically be looking for? (Please cross all that apply)

Subsidised Ownership to an affordable level ☐

Private renting

☐

Social renting

☐

Buying on the open market

☐

If you have chosen only buying on the open market than go to question 20.

Q12. If the considered tenure of the new household is shared ownership, what mortgage would be affordable?

(Please take into account that with shared ownership there is also a rent to pay).

Under £60,000

☐

£100,000 - £150,000

☐

£60,000 - £85,000

☐

Over £150,000

☐

£85,000 - £100,000

☐

Not considering shared ownership

☐

Appendix 2 Model Housing Needs Survey Form

--	--	--	--

Q13. Where is the new household required?Outside current parish but within Cheshire East ☐Within the Parish that is currently lived in ☐**Go to question 15****Q14. Please state which parishes within the survey area would be considered?** (See accompanying letter for assistance and write in below)

--

Q15. What type of accommodation is preferred? (Please cross all that apply)House ☐Supported housing ☐Flat ☐Any ☐Bungalow ☐**Q16. What is the minimum number of bedrooms required?**

Enter a number in the box (e.g. 02)

--	--

Q17. Please indicate how many adults there will be within each age range in the new household?

Please cross one box per line

	1	2	3	4 or more
16-19	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20-29	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
30-44	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
45-59	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
60-74	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
75+	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q18. Will the new household have specific housing needs (e.g. mobility, disability requirements)?Yes ☐No ☐**Q19. How many children under 16 will there be in the new household?**

Enter a number in the box (e.g. 02)

--	--

Q20. Has any member of your household moved out of either your parish or the Cheshire East area within the last 5 years, because they could not afford to buy/ rent a home in the area?Yes ☐No ☐ If no, go to question 23

Appendix 2 Model Housing Needs Survey Form

--	--	--	--

Q21. If yes, would the member(s) of your household who have moved out wish to return if affordable housing were available?

Yes ☐

No ☐

Unsure ☐

If no or unsure, go to question 22

Q22. What type of tenure would they consider? Please cross all that apply

Subsidised Ownership to an affordable level ☐

Private renting ☐

Social renting ☐

Buying on the open market ☐

Other ☐

Q23. Would you be in favour of a small development of affordable housing being built in your parish to meet the needs of those having a local connection to the parish?

Yes ☐

No ☐

Unsure ☐

If you wish to, please give a reason for this view

Q24. Are you aware of any sites that might be suitable in your local area for affordable housing and if so please let us have the details?

This survey is printed in mainly Arial, font size 11. If you require a copy in larger print please contact:

Cheshire East Research and Intelligence unit by ringing: (01244) 977560

Or email: randi@cheshireeast.gov.uk

Thank you for taking the time to complete this survey.
Please return it in the pre-paid envelope provided.

This page is intentionally left blank

CABINET UPDATE REPORT AGENDA ITEMS 9

AGENDA ITEM 9 - KEY DEC 77 INTERIM PLANNING STATEMENT ON AFFORDABLE HOUSING

At its meeting on 8 February the Environment and Prosperity Scrutiny Committee approved the recommendations contained in this report.

In order to correct a typographical error in the report, the last paragraph of Recommendation 8 in Appendix 2 be amended to read: "At the discretion of the Council and in exceptional circumstances there may be occasions when it would be appropriate to allow for the discount **to be purchased and recycled**".

The decision requested is therefore now amended as follows:

That Cabinet recommends that Council adopts the Interim Planning Statement on Affordable Housing as set out in Appendix 2, **subject to the revision now reported**, and agrees that it be used in the determination of planning applications.

This page is intentionally left blank

COUNCIL MEETING – 24TH FEBRUARY 2011**Extract from the Minutes of the Cabinet Meeting on 14 February 2011****MINUTE 133 INTERIM PLANNING POLICY ON THE RELEASE OF HOUSING LAND**

Consideration was given to responses to the consultation on the draft Interim Planning Policy on the Release of Housing Land, to manage the release of additional land as an interim measure pending the adoption of the Local Development Framework Core Strategy. Revisions were now proposed in the light of comments received.

Since the report had been prepared Natural England had submitted its comments and the resulting amendments were circulated prior to the meeting along with updated information on the number of representations received. It was noted that the Environment and Prosperity Scrutiny Committee had considered and approved the report and amendments at its meeting on 8 February 2011.

The Council was due to consider the matter at its meeting on 24 February 2011 and Cabinet recommended that:-

RESOLVED

1. Council approves the housing requirement figure of 1150 net additional dwellings to be delivered annually, to be used pending the adoption of the Local Development Framework Core Strategy.
2. Council adopts the Interim Planning Policy on the Release of Housing Land as set out in Appendix 2, subject to the revisions and updates now reported, and agrees that it be used in the determination of planning applications.

[Note: The revisions and updates referred to above and set out in the enclosed Cabinet update have been incorporated into the Report and Appendices for Council]

This page is intentionally left blank

CHESHIRE EAST COUNCIL

REPORT TO: COUNCIL

Date of Meeting: 24 February 2011
Report of: Strategic Director - Places
Subject/Title: Interim Planning Policy on Release of Housing Land
Portfolio Holder: Cllrs David Brown/Jamie Macrae

1.0 Report Summary

- 1.1 At its meeting on 18 October 2010, Cabinet considered the requirement to maintain a five year supply of housing land and approved the draft Interim Planning Policy on the Release of Housing Land to manage the release of additional land as an interim measure pending the adoption of the Local Development Framework Core Strategy. This report considers the responses that have been received to the consultation that took place on the draft policy and proposes revisions to the draft Interim Planning Policy in the light of the comments made.
- 1.2 The report has been considered by Strategic Planning Board on 26 January, Environment and Scrutiny Committee on 8 February. Their recommendations have been included in the report. The report was considered by Cabinet on 14 February, their recommendation will be reported at the meeting..

2.0 Decision Requested

- 2.1 That Council:
1. approves the housing requirement figure of 1150 net additional dwellings to be delivered annually, to be used pending the adoption of the Local Development Framework Core Strategy;
 2. adopts the Interim Planning Policy on the Release of Housing Land as set out in Appendix 2 and agrees that it be used in the determination of planning applications.

3.0 Reasons for Recommendations

- 3.1 To ensure that the Council has appropriate planning policies in place to guide the release of additional housing land to ensure the availability of five years supply of deliverable housing land in a manner that will not prejudice the preparation of the Local Development Framework.

3.0 Wards Affected

- 4.1 All wards

5.0 Local Ward Members

5.1 All

6.0 Policy Implications including – Carbon Reduction

6.1 The proposed interim policy will seek to focus new development in the principal town of Crewe where there are a good range of jobs, shops and services and a high standard of accessibility by means of travel other than the car. The policy also encourages the redevelopment of previously developed land within settlements for mixed uses including housing. New housing will be required to be energy efficient.

- Health

6.2 New housing developments will be required to include affordable housing which will be available for people in housing need, providing them with improved healthier living conditions. Sites will also be required to provide open space.

7.0 Financial Implications (Authorised by the Borough Treasurer)

7.1 The implementation of the policy will not require any additional staffing or financial resources.

7.2 The policy will require developers to contribute to strategic and local highway improvements, affordable housing, open space and community infrastructure required to serve the development through legal agreements.

8.0 Legal Implications (Authorised by the Borough Solicitor)

8.1 Planning Policy 3 Housing sets out a requirement for local planning authorities to maintain a five year supply of deliverable housing land. The inability of the Council to demonstrate a five year supply of housing land carries a high risk that land owners/developers will submit speculative planning applications for their development on sites outside settlement boundaries. Such applications would have to be determined through the planning process in the usual way. In the case of refusal of planning permission, appeals may be upheld on the grounds that there is not a 5 years supply of housing land.

8.2 The Town and Country Planning Act 1990 requires that, in dealing with a planning application, the authority shall have regard to the provisions of the development plan and to any other material consideration. Although there may be arguments over the status of the Interim Planning Policy it will be promoted as a material consideration in determining planning applications for new housing development. It will provide a clear policy position for the local planning authority and planning inspectors considering appeals on applications for housing development outside Local Plan settlement boundaries.

8.3 Widespread consultation has been carried out on the draft policy with town and parish councils, stakeholders, the local community and the Housing Market Partnership in accordance with the Statement of Community Involvement. Although it has not been through the full process of an LDF document, the consultation process and its adoption following amendments due to that process will give weight

to the policy and it will be a matter for both Members and, on appeal, the Planning Inspectorate or the Secretary of State to judge that balance in considering individual applications.

9.0 Risk Management

- 9.1 As the Council is unable to demonstrate that it has a five year land supply of deliverable housing sites, there is high risk of planning appeals for housing development being upheld on greenfield sites outside settlement boundaries which may prejudice the preparation of the Local Development Framework and affect the Council's ability to objectively determine the most appropriate strategy and sites for future housing development.

10.0 Background and Options

- 10.1 The Government's planning policies for housing are set out in Planning Policy Statement 3 Housing (PPS3), the latest edition of which was published in June 2010. The PPS has to be taken into account in the preparation of the Council's Local Development Framework and in the determination of planning applications which involve new housing development.
- 10.2 Paragraph 10 of PPS3 sets out the housing policy objectives that provide the context for planning for housing through development plans and planning decisions. It states that the specific outcomes that the planning system should deliver are:
- High quality housing that is well designed and built to a high standard.
 - A mix of housing both market and affordable, particularly in terms of tenure and price, to support a wide variety of households in all areas, both urban and rural.
 - A sufficient quantity of housing taking into account need and demand and seeking to improve choice.
 - Housing developments in suitable locations, which offer a good range of community facilities and with good access to jobs, key services and infrastructure.
 - A flexible and responsive supply of land – managed in a way that makes efficient and effective use of land, including the re-use of previously – developed land, where appropriate.
- 10.3 Clearly one of the Government's priorities is for the planning system to deliver an adequate supply of suitable land available for housing development. In terms of the longer term delivery of housing, through its Local Development Framework Core Strategy and Site Allocations documents, the Council has to identify broad locations and specific sites that will enable the continuous delivery of sufficient housing for at least a fifteen year period.
- 10.4 The overall level of housing that the Council has to deliver over that fifteen year period has been set out in the Regional Spatial Strategy. As Members will be aware, the Government has written to Local Authorities setting out its intention to revoke Regional Spatial Strategies on 6th July this year. However following the judgement on the judicial review for CALA Homes in November 2010, Regional Spatial Strategies will remain as part of the development plan until formally

revoked through the Localism Bill. Once Regional Spatial Strategies have been revoked when the Localism Bill is enacted, references in the Interim Planning Policy Statement to the RSS will no longer apply. As a consequence of this, the annual housing supply figure for Cheshire East as set out in RSS will continue to be relevant. This figure will be reviewed a part of the preparation of the Local Development Framework. The Government has said that local planning authorities 'should continue to collect and use reliable information to justify their housing supply policies and defend them during the LDF examination process. They should do this in line with current policy in PPS3'¹.

- 10.5 The Council is at a relatively early stage in the production of its Core Strategy which will identify the level of new housing development that should take place in the Borough up to 2030. In accordance with Government advice, the level of new housing development upon which the Council decides must be based on robust evidence and be defensible at public examination.
- 10.6 Stakeholder consultation on the Issues and Strategic Options for the Core Strategy took place during November and December 2010. One of the key options consulted on was the proposed level of housing growth for the Borough. These options took into account the findings from the Council's Strategic Housing Market Area Assessment and the projections for population and employment growth.
- 10.7 In the shorter term, PPS3 requires the Council to ensure that a continuous five years supply of deliverable housing sites is maintained. To be considered deliverable, sites should:
- be available now
 - offer a suitable location for development which would contribute to the creation of sustainable, mixed communities
 - have a reasonable prospect of delivering houses within five years.
- 10.8 Generally to be considered deliverable within five years, sites should have the benefit of planning permission or should be allocated in a Local Plan or should be specific, unallocated brownfield sites within settlement boundaries that have the potential to make a significant contribution to housing land supply in the five year period.

The Annual Housing Requirement

- 10.9 The accepted methodology for determining the total five year supply requirement has been based on figures from the Regional Spatial Strategy. The Regional Spatial Strategy housing requirement figure for Cheshire East is an average of 1150 net new dwellings per annum and this reflects the average level of house building in the Borough that was being delivered in the ten years up to April 2010.
- 10.10 **It is recommended therefore that until the future housing requirement has been agreed through the Local Development Framework Core Strategy, the housing requirement for Cheshire East should be set at 1150 net additional dwellings per annum.**

¹ Letter from DCLG to all Chief Planning Officers dated 6/7/10

Five Year Housing Land Supply

- 10.11 The Local Development Framework Annual Monitoring 2010 report calculated the Council's five year supply of housing land at 1 April 2010 as 4.58 years. This figure was calculated following a full review of potential sites carried out in parallel with the preparation of a Strategic Housing Land Availability Assessment for the whole of Cheshire East.

- 10.12 The failure to be able to demonstrate a five year supply of available housing land has implications for the Council. PPS3 states that "where local planning authorities cannot demonstrate an up to date five year supply of deliverable sites they should consider favourably planning applications for housing, having regard to the policies in this PPS".

- 10.13 The inability of the Council to demonstrate a five year supply of housing land carries a high risk that land owners/developers will submit speculative planning applications for their development outside settlement boundaries. Such applications would have to be determined through the planning process in the usual way. In the case of refusal of planning permission, appeals may be upheld on the grounds that there is not a 5 years housing land supply. Nevertheless whilst there is less than a 5 year supply of deliverable housing sites, there is a high degree of risk that planning permission may be granted on appeal for housing on greenfield sites outside settlement boundaries in conflict with the policies of the three Local Plans. Such decisions would also prejudice the preparation of the Local Development Framework and affect the Council's ability to objectively determine the most appropriate strategy and sites for future housing development.

Report of Consultation on Interim Policy to Manage the Release of Housing Land

- 10.14 Given the current housing supply position and the timescale for the adoption of the Council's Core Strategy and Site Allocations documents, Cabinet agreed at its meeting on 18 October 2010 to consult on a draft Interim Planning Policy on the Release of Housing Land and to use the draft interim policy in the determination of planning applications for sites which do not form part of its identified supply of deliverable housing sites pending the adoption of the Local Development Framework Core Strategy.

- 10.15 Consultation on the draft Interim Planning Policy was carried out between 8 November and 17 December 2010. Notification of the consultation was sent to all town and parish councils, statutory consultees, organisations, businesses and individuals registered on the LDF database. A press release was issued and publicity given on the Council's website. The document was available for inspection at the Council offices and libraries and on the Council's website.

- 10.16 Comments were received from 74 respondents, many setting out detailed consideration of the wording of the policy. In total 283 separate comments were made. 189 objections and 32 comments were received, many proposing revisions to the policy. 62 responses supported the policy as a

means of ensuring that the Council maintains a 5 year supply of housing land and is able to properly plan for the sustainable development of its settlements through the LDF. Appendix 1 sets out a summary of the points raised and recommendations for revisions to the Interim Planning Policy to address issues of concern.

- 10.17 A full report of consultation setting out full details of the comments received can be viewed on www.cheshireeast.gov.uk/ldf
- 10.18 The revised Interim Planning Policy is set out in Appendix 2.
- 10.19 The adopted Interim Planning Policy will be used in the determination of planning applications and appeals. The Policy will remain in place until additional development sites are allocated through the LDF Core Strategy. The need for and effectiveness of the Policy will be kept under review as part of the Local Development Framework Annual Monitoring Report.

11.0 Access to Information

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

Name:	Rosemary Kidd
Designation:	Spatial Planning Manager
Tel No:	01270 685921
Email:	rosemary.kidd@cheshireeast.gov.uk

Interim Planning Policy on Release of Housing Land Responses to comments received during consultation

Abbreviations

LDF – Local Development Framework

SHLAA – Strategic Housing Land Availability Assessment

SHMA – Strategic Housing Market Assessment

The revised wording of the Interim Policy and its explanatory text is shown in ***bold italics***. Text in **bold** is unchanged from the draft.

Comment	Response and recommendation
<p>Contrary to PPS3 guidance; a number of paragraphs are cited in representations in particular 32-35 relating to the assessment of the appropriate level of housing; 36 – 39 providing homes in suitable locations; 60-61, managing flexible and responsive supplies; 62-67 Implementation strategy; 68-74 determining planning applications.</p> <p>Contrary to PPS12 in particular para 6.4 that states that local planning authorities should not produce planning guidance other than SPD where the guidance is intended to be used in decision making or the coordination of development. This could be construed as wishing to circumvent the provisions for consultation and sustainability appraisal which SPDs have.</p>	<p>The underlying concept behind the guidance in PPS3 is that Local Authorities should plan, monitor and manage the supply of housing. Local Development Framework should provide sufficient homes in suitable locations, of a mix of types and tenures to meet the needs of the local area. A five years supply of deliverable sites should be maintained.</p> <p>The delivery of housing development should be monitored to ensure that there is an adequate supply. Appropriate measures should be taken to manage the supply. If there is not an adequate supply, planning applications for housing are to be viewed favourably.</p> <p>The Council has commenced the preparation of its Local Development Framework which will develop a strategy for the planned location of new housing development until 2030 in accordance with PPS3 para 38. Through its monitoring of the supply of deliverable sites as advised in para 60 of PPS3, it is evident that there will not be a 5 years supply of deliverable sites in the period up until the Core Strategy is adopted. The Council has therefore developed the Interim Policy on the Release of Housing Land as a strategy to manage the supply in the meantime, in accordance with advice in para 52, 57 and 64 of PPS3. Should the Council fail to take any action to manage the supply of deliverable sites to maintain a 5 years supply, it would apply the advice in para 71 to view planning applications for residential development favourably..</p> <p>The Council is satisfied that the Interim Policy accords with the advice set out in PPS3 and reflects the “plan, monitor, manage” approach that is advocated.</p> <p>Recommendation 1: No change</p>
<p>Contrary to PPS12 in particular para 6.4 which states that local planning authorities should not produce planning guidance other than SPD where the guidance is intended to be used in decision making or the</p>	<p>The Interim Policy on the Release of Housing Land is to be adopted as Council policy not planning guidance. It has been subject to consultation, sustainability appraisal and Habitats Regulation Assessment.</p> <p>Recommendation 2: No change</p>

<p>coordination of development. This could be construed as wishing to circumvent the provisions for consultation and sustainability appraisal which SPDs have.</p>	
<p>The purpose and status of the Interim Policy should be made clearer</p>	<p>Paragraph 2.21 of the Background to the Interim Policy explains the weight to be given to the Interim Policy. It is proposed that the status of the Policy should be set out more clearly in the introduction.</p> <p>Recommendation 3:</p> <p>Revise para 1.4 of the Introduction to the Interim Policy to read:</p> <p><i>“The Interim Policy has been prepared in accordance with guidance in PPS3 to ‘plan, monitor and manage’ the supply of housing to ensure that there is a five years supply of deliverable sites. The Interim Policy has been the subject of consultation, sustainability appraisal and Habitats Regulations Assessment. It was adopted by Cheshire East Council on [date] to manage the release of additional land for residential development through the consideration of planning applications to maintain a five years supply as an interim measure pending the adoption of the Local Development Framework Core Strategy. The policy has been developed in a manner so that it would not prejudice the consideration of alternative options for the development strategy of the Local Development Framework. The Interim Policy is adopted Council Policy and will be used in the consideration of planning applications following its adoption as a ‘material consideration’.”</i></p> <p>Recommendation 4: Delete paragraphs 1.7 to 1.9 and 2.20 to 2.21 of the contextual material to the Interim Policy referring to the consultation on the draft policy.</p>
<p>Should include reference to RSS Policies L4, DP5, DP6.</p> <p>The RSS housing provision figures for the three constituent authorities should be retained.</p>	<p>Since the approval of the draft Interim Policy, there has been a judicial review by Cala Homes, as a result of which RSS continues to be part of the development plan until the legislation is passed that revokes it. With the enactment of the Localism Bill, references to RSS policies within the Interim Policy will no longer be applicable.</p> <p>It would therefore be appropriate to include a reference to the RSS Policy L4 that sets out the Regional Housing Provision as the context for the housing requirement. The Council has been advised by the Government Office that it should plan on the basis of the combined figures of the three constituent authorities.</p> <p>Policies DP5 and DP6 relate to the accessibility of development and linking areas of economic opportunity to areas of greatest need. It is considered that they are not significant enough to warrant reference in the context to the policy.</p> <p>Recommendation 5: Revise paragraph 2.7 sentences 2</p>

	<p>and 3 to read:</p> <p><i>“The Government has indicated that it intends to revoke Regional Spatial Strategies, however, following a successful legal challenge, they continue to be part of the development plan until the legislation has been passed. Policy L4 of the North West of England Plan, Regional Strategy to 2010 requires local authorities to monitor and manage the availability of land to achieve the housing provision set out in Table 7.1 of the policy. The total for the Cheshire East constituent authorities is 1150 net additional dwellings per annum. This figure reflects the level of house building in the Borough that was delivered in the ten years up to April 2010.”</i></p> <p>Recommendation 6: Delete paragraphs 2.8 – 2.11</p> <p>Recommendation 7: Revise paragraph 2.12 (now para 2.8) to read:</p> <p>“The Regional Spatial Strategy housing provision figure of 1150 net additional houses per annum will continue to be the housing requirement for Cheshire East until it is reviewed through the Local Development Framework.”</p>
Argues that a higher annual housing target should be set based on evidence in the SHMA	<p>The review of the housing requirement using evidence from projections and the SHMA will be carried out as part of the preparation of the LDF Core Strategy. The RSS housing requirement will continue to be used until then.</p> <p>Recommendation 8: No change</p>
<p>Queries the calculations of housing land supply;</p> <p>Need to ensure that assessment of sites is robust and that sites are deliverable</p>	<p>The assessment of sites has been carried out in consultation with the Housing Market Partnership and has been carried out in a robust manner in accordance with a methodology agreed with the Partnership. The calculations have been published. It is acknowledged that the current housing market and difficulties in securing finance may be affecting developers’ ability to commence the development of sites, however, the sites are available for development and should be included in the supply figures.</p> <p>Recommendation 9: No change</p>
Queries whether the policy will deliver sufficient land	<p>It is estimated that the policy could enable the release of sites capable of accommodating approximately 1700 dwellings taking the supply to about 6 years. The effectiveness of the policy will be kept under review as part of the LDF Annual Monitoring Report.</p> <p>Recommendation 10: No change</p>
Important that the sites released do not prejudice the preparation of the LDF	<p>Paragraph 2.16 of the context to the Interim Policy explains how the development of Crewe is fundamental to the strategy for the LDF.</p> <p>Recommendation 11: No change</p>
<p>Seeks release of land in Macclesfield and all Key Service Centres;</p> <p>Argues that housing should be</p>	<p>The purpose of introducing the policy is to secure the managed release of sufficient land for housing development in the short term pending the development of a strategy to</p>

<p>delivered where there is most demand in the north of the Borough in towns other than Crewe;</p> <p>A number of Greenfield sites on the edges of towns have been proposed</p>	<p>guide the development and growth of the Principal Towns and Key Service Centres through the LDF.</p> <p>It is recognised that there are a number of areas within towns of the Borough that may have potential for to support the regeneration of the town. These sites will be considered and determined using policies contained within the existing Local Plans.</p> <p>The LDF will give full consideration to the need for housing development in all parts of the Borough and the suitability and sustainability of potential sites.</p> <p>Whilst the Interim Policy properly gives full endorsement to developments around Crewe, it does not explicitly prohibit development elsewhere. These can be still be considered according to the specific merits of each proposal.</p> <p>Recommendation 12: No change</p>
<p>Development should be permitted in other towns where it would contribute to delivery of significant infrastructure to the benefit of the community eg at Middlewich</p>	<p>An Infrastructure Plan is being prepared to support the delivery of the LDF and the introduction of the Community Infrastructure Levy. Full consideration will be given through the preparation of the LDF to the amount and location of development required in other towns to support the delivery on local infrastructure.</p> <p>It is recognised that there are a number of areas within towns of the Borough that may have potential for to support the regeneration of the town. These sites will be considered and determined using policies contained within the existing Local Plans.</p> <p>Recommendation 13: No change</p>
<p>The Interim Policy should not be based on the Crewe Vision;</p> <p>The policy could create an oversupply of housing in Crewe;</p> <p>Policy would lead to sites coming forward in an uncoordinated manner.</p>	<p>Crewe is a Principal Town and the Council has agreed that it should be the focus for significant future growth to develop its role as a sub-regional centre. The Crewe Vision has been drawn up to provide an overarching strategy to guide the development of plans and strategies (including the LDF) to deliver this ambition.</p> <p>It will be for developers to demonstrate as part of their planning applications that any sites released under this policy can be delivered within 5 years.</p> <p>The Policy will enable the local authority to manage the release of a limited number of sites around the edge of Crewe as well as redevelopment sites in other towns. Without the policy, the Council would be faced with considerable pressure from developers to release sites on the edge of towns and villages throughout the Borough in an uncoordinated manner.</p> <p>Recommendation 14: No change</p>
<p>Urban extensions to Crewe need to be masterplanned. The release of smaller sites should not jeopardise the comprehensive planning of larger urban extensions.</p>	<p>A number of potential urban extensions to Crewe have been proposed by developers as long term growth areas. Options for the future directions of growth of Crewe up to 2030 will be considered as part of the LDF.</p> <p>The release of sites under the Interim Policy will have to</p>

	<p>consider how the site could form part of a possible urban extension in the area.</p> <p>Recommendation 15: No change</p>
<p>The release of Greenfield sites on the edge of Crewe is not supported ahead of the development of available brownfield sites.</p> <p>Green Belt sites should not be released</p>	<p>The SHLAA has identified and assessed the potential of brownfield sites within settlements for housing development. Those that are deliverable in the next 5 years have been included in the 5 year land supply figures. The results demonstrate that taking these brownfield sites into account the supply of housing land is less than 5 years and there is therefore a need to identify further greenfield sites to maintain an adequate supply.</p> <p>The Interim Policy does not propose the release of any sites in the Green Belt.</p> <p>Recommendation 16: No change</p>
<p>Should define “in and around Crewe”</p>	<p>The policy clearly states that sites will be permitted “adjacent to the settlement boundary of Crewe, subject to 4 provisos.” Para 3.2 confirms this and that the village of Shavington is excluded.</p> <p>Recommendation 17: No change</p>
<p>The Interim Policy should refer to the Greater Crewe area as envisaged in the Crewe Vision, including Shavington</p>	<p>A number of potential sites around Shavington have been included in the SHLAA. Shavington has not been included in the Interim Policy to enable consideration to be given to the future role of this settlement and the assessment of the suitability of potential sites through the LDF.</p> <p>Recommendation 18: No change</p>
<p>Sites in the Green Gap should not be excluded</p>	<p>The Interim Policy reflects saved policies in the Crewe and Nantwich Local Plan which includes a policy to safeguard the Green Gap between Crewe and Nantwich. It is considered that sufficient housing sites can be made available outside the Green Gap to meet the short term need for additional housing land.</p> <p>Recommendation 19: No change</p>
<p>Should exclude land reserved for “operational need of hospital”</p>	<p>It is understood the Leighton Hospital is reviewing its future development needs. Until their plans are known, it would be appropriate to continue to safeguard this area of land.</p> <p>Recommendation 20: Add an additional bullet point to section 1 of the Interim Policy to read:</p> <ul style="list-style-type: none"> • “is not within an area safeguarded for the future operational need of Leighton Hospital “
<p>Should explain how infrastructure requirements will be delivered and how contributions will be assessed and secured towards “strategic highway network”</p>	<p>Developers will be required to mitigate for the potential impacts of their proposals through contributions secured under S106 agreements in accordance with Circular 5/2005. The contributions will be subject to negotiation with the developer. They will be required to submit a Traffic Impact Assessment as part their planning applications.</p> <p>Recommendation 21: No change</p>

<p>Concerned that the release of sites on the edge of Crewe will lead to congestion and will impact on access to the hospital and other community infrastructure</p>	<p>Developers will be required to mitigate for the potential impacts of their proposals through contributions secured under S106 agreements. They will be required to submit a Traffic Impact Assessment as part their planning applications.</p> <p>Recommendation 22: No change</p>
<p>Mixed use developments should not require housing developer to build out employment floor space.</p>	<p>Where housing development is allowed under this policy to enable sites to come forward for development for mixed uses, including employment uses, a legal agreement will be sought to ensure that the housing development makes a contribution to the delivery of other uses on the site. The requirement on each proposal will vary and will be subject to negotiation with developers.</p> <p>Recommendation 23: No change</p>
<p>Allocated employment areas at Basford East and West should be included so that housing development can help to deliver these sites</p>	<p>These significant areas of land extending to 150ha are flagship sites of sub-regional importance are allocated for employment development. Any proposals for housing development on these sites need to be considered through existing policies or the LDF as part of the overall strategy for Crewe and should demonstrate how they will support the wider delivery of employment development on these strategic sites. The focus of the Interim policy is to look at areas not currently identified for development and it is criteria based rather than being site specific. As such it would not be appropriate to include detailed proposals for individual sites.</p> <p>Recommendation 24: No change</p>
<p>Should indicate which town centres the policy refers to</p>	<p>Town centres are defined in the policies in the three Local Plans.</p> <p>Recommendation 25: No change</p>
<p>Should include an explanation of the term “regeneration area”, does this differ to the general term “brownfield land”</p> <p>It is unlikely that additional dwellings will be realised through this source.</p>	<p>Paras 3.5 – 3.6 of the justification to the policy explain that “there are a number of areas within town centres and older employment areas throughout the towns of the Borough that may have the potential for regeneration.” Local Plan policies usually safeguard these areas for town centre and employment uses. The Interim Policy will enable consideration to be given to securing the redevelopment of these sites by including an element of housing as part of a mixed use development.</p> <p>“Brownfield land” refers to any site that have been previously developed. Where there are no policy safeguards on the future use of these sites, they may be brought forward for housing development under the current of the Local Plans’ policies.</p> <p>Recommendation 26: No change</p>
<p>Developers should be required to demonstrate as part of their planning application that the development is</p>	<p>When considering development proposals brought forward under the Interim Policy, the Council will wish to ensure that the site is capable of being developed within 5 years. This</p>

<p>deliverable in 5 years;</p> <p>The size of sites released under the Interim Policy should be limited eg to 100 houses</p>	<p>will depend on the developers' ability to build and market the houses on the site. It is considered that it would be unduly restrictive to set a maximum size for sites to be released.</p> <p>Recommendation 27: Add the following after the first sentence in para 3.3</p> <p><i>“Developers will be required to demonstrate as part of their planning application that the development is deliverable within 5 years. Conditions may be attached to planning permissions to grant consent for a limited period and require that sites to be started within a prescribed period.”</i></p>
<p>Site should be “substantially” completed in 5 years.</p>	<p>It is acknowledged that it is difficult to be precise about the rate of development of a site and this will depend on housing market conditions. However, the introduction of the word “substantially” introduces a degree of uncertainty into the policy that will be difficult to define.</p> <p>Recommendation 28: No change</p>
<p>The affordable housing requirement should be reduced from 35% to 30% in line with the Interim Planning Statement on Affordable Housing.</p> <p>Some respondents propose a reduction to 25%</p>	<p>Greenfield sites outside settlement boundaries that are to be released for housing development under the Interim Planning Policy will be released as exceptions to the adopted Local Plan policy. In normal circumstances, these sites would be released until they were allocated in the LDF, in 2013 - 2014.</p> <p>In view of the exceptional circumstances around the release of these sites, and the consequential saving in the developers' time and expenses in seeking the allocation of these sites, the Council is seeking to ensure that sites released under the Interim Policy deliver a high level of affordable housing that is needed under the current market conditions.</p> <p>The Economic Viability testing of potential development sites demonstrated that under normal market conditions greenfield sites should be able to deliver 35% affordable housing.</p> <p>Recommendation 29: No change</p>
<p>The affordable housing requirement should be expressed as a target and not a minimum</p>	<p>There are circumstances where a single target may have advantages over a minimum figure. However the Interim Policy is designed to release land ahead of the normal development plan process and has a particular emphasis on promoting affordability. In these circumstances it is appropriate to be explicitly promotional in encouraging additional affordable homes. As such references to a minimum should remain.</p> <p>Recommendation 30: No change</p>
<p>The viability caveat should relate to greenfield sites as well as brownfield</p>	<p>This caveat recognises that brownfield sites are often subject to exceptional development costs which may affect the viability of proposals.</p> <p>The Interim Planning Statement on Affordable Housing sets out the procedures for assessing the viability of schemes.</p>

	Recommendation 31: No change
Should not require Code for Sustainable Homes Level 4	<p>Government targets will require all new housing to achieve a Code rating of level 3 by 2010 and level 4 by 2013. The Planning and Energy Act 2008 and the Planning for Climate Change supplement to Planning Policy Statement 1 provide the powers and guidance to local planning authorities in England to impose reasonable requirements for development in their area to comply with energy efficiency standards that exceed the energy requirements of the Buildings Regulations.</p> <p>The Council wishes to ensure that housing built on any sites released as exceptions under this policy is well designed and energy efficient. Most of the houses built under the Interim Policy will be constructed from 2013 onwards and should therefore be designed to comply with the Level 4 requirements. Developers are fully aware of the requirements under the Code for Sustainable Homes and have had time to prepare for its introduction and to include any costs arising from it in their valuations of sites to be developed in the next five years.</p> <p>Recommendation 32: No change</p>
Should not require Building for Life Silver standard	<p>Policy BE2 of the Crewe and Nantwich Local Plan sets out design principles that should be taken into account with the aim of ensuring that new development is well designed.</p> <p>“Building For Life” is an accepted national standard for assessing the quality of design of new residential development. Achieving the Silver standard or higher is the measure of a well designed development.</p> <p>Recommendation 33: No change</p>
It could be construed that the requirements set out in the second and third set of bullet points in the Interim Policy could be applied to all housing development permitted whilst the Interim Policy is in operation and not just the exceptional sites released under the first part of the policy.	<p>The Interim Policy would not be used in the consideration of sites that could be approved under the saved Local Plan policies. However, for the sake of clarity, the following revisions are proposed.</p> <p>Recommendation 34: revise the Interim Policy to read: Housing development on greenfield sites <i>permitted under this policy</i> will be required to deliver:</p> <p>Recommendation 35: revise the Interim Policy to read: Subject to the assessment of the economic viability of the scheme, housing development on mixed use redevelopment sites <i>permitted under this policy</i> will be expected to deliver:</p>
Should explain how policy will be monitored and how it will be reviewed	<p>Agreed</p> <p>Recommendation 36: Add the following at the end of para 2.13 (now para 2.9) <i>“The effectiveness of the policy will be kept under review as part of the LDF Annual Monitoring Report.”</i></p>

<p>The sustainability appraisal only compares the impact of implementing the policy against doing nothing. It should consider other options</p>	<p>Although the guidance states that “the consideration of reasonable alternatives is a legal requirement under the SEA Directive”, guidance also states that “only reasonable, realistic and relevant options need to be put forward”.</p> <p>The only reasonable and realistic option developed was that in the Interim Policy, as this would allow the 5 year supply to be met without compromising the future development of the LDF. It is considered that the sustainability appraisal was carried out in an appropriate manner.</p> <p>Recommendation 37: No change</p>
<p>Habitats Regulation Assessment (HRA)</p>	<p>The HRA Screening Report identified that a full HRA was required. The HRA has identified the need for mitigation measures to be included in the policy to require that the developer ensures that the location and design of new development will not negatively impact upon a designated or candidate European Site.</p> <p>Recommendation 38: Delete final sentence of para 1.6 and replace with</p> <p><i>“The HRA has identified the need for mitigation measures to be included in the policy to require that the developer ensures that the location and design of new development will not negatively impact upon a designated or candidate European Site.”</i></p> <p>Recommendation 39: Amend section in the Interim Policy relating to Greenfield sites to read:</p> <p><i>“Housing development and its infrastructure on greenfield sites will be required to demonstrate that they will not impact on the designated or candidate European Sites (Special Areas of Conservation; Special Protection Areas; Ramsar Sites and Offshore Marine Sites) protected under the European Habitats Directives 92/43/EEC or the Conservation of Habitats and Species Regulations 2010.”</i></p> <p>Recommendation 40: Amend the justification for the policy relating to greenfield sites to read:</p> <p>The development of any greenfield sites adjacent to the settlement boundaries will be considered as exceptional development and will be required to be of a high design standard and deliver 35% of the development as affordable housing in accordance with the Interim Affordable Housing Policy. <i>New development should also incorporate open space and community facilities in accordance with the relevant saved Local Plan policy and should aim to provide access to open space in line with relevant accessibility standards.</i> They will also be required to contribute towards the improvements to the strategic and local transport networks and public transport in and around Crewe. <i>In order to safeguard European Sites in proximity to Crewe, any highway improvements to serve the new development should not be located within 300m of a European Site and where necessary should incorporate</i></p>

	<i>run-off interception measures.</i>
Delivering a good choice of quality housing	<p>It will be important for any proposed sites released under this interim policy to deliver a good choice of quality residential development and for sites to support the vision and objectives for Crewe.</p> <p>Recommendation 41: Add the following to the bullet points under section (1)</p> <ul style="list-style-type: none"> • <i>Delivers development that improves the supply, choice and quality of housing in Crewe; and</i> • <i>Supports the delivery of the Council's overall vision and objectives for Crewe</i>

Cheshire East

Interim Planning Policy on the Release of Housing Land



February 2011

Contents

1 Introduction	2
Sustainability Appraisal and Habitats Regulations	2
2 Background	3
The Annual Housing Requirement	4
Managing the Five Year Housing Land Supply	4
Interim Policy to Manage the Release of Housing Land	4
3 Interim Planning Policy on the Release of Housing Land	6
Justification	8

1 Introduction

1 Introduction

1.1 This document sets out the Council's policy approach to maintaining a five years supply of deliverable housing land to be used as an interim measure pending the adoption of the Local Development Framework Core Strategy.

1.2 Planning Policy Statement 3 'Housing' requires local planning authorities to monitor and manage the release of housing land to ensure that there is a five years supply of deliverable sites. This includes sites with planning permission, sites allocated for residential development in the Local Plan and identified redevelopment sites within settlement boundaries.

1.3 Until the Local Development Framework is adopted, the development plan policies for Cheshire East relevant to the consideration of proposals for residential development are the saved policies of the Crewe and Nantwich, Congleton and Macclesfield Local Plans. The revised timetable for the adoption of the Core Strategy indicates a date for adoption of late 2013.

1.4 *The Interim Policy has been prepared in accordance with guidance in PPS3 to 'plan, monitor and manage' the supply of housing to ensure that there is a five years supply of deliverable sites. The Interim Policy has been the subject of consultation, Sustainability Appraisal and Habitats Regulations Assessment. It was adopted by Cheshire East Council on [date] to manage the release of additional land for residential development through the consideration of planning applications to maintain a five years supply as an interim measure pending the adoption of the Local Development Framework Core Strategy. The policy has been developed in a manner so that it would not prejudice the consideration of alternative options for the development strategy of the Local Development Framework. The Interim Policy is adopted Council Policy and will be used in the consideration of planning applications following its adoption as a 'material consideration'.*

Sustainability Appraisal and Habitats Regulations

1.5 The Council has prepared a Sustainability Appraisal (SA) to test and refine the policies and proposals in this document. Sustainability Appraisal is a systematic process, which is carried out during the production of planning documents to ensure that policies and proposals contribute towards relevant environmental, social and economic objectives.

1.6 In addition amendments made to the UK Conservation (Habitats and etc) Regulations 2006 require a Habitats Regulations Assessment (HRA) under Article 6(3) and (4) of the Habitat Directive 92/43/EEC for all land use plans likely to have a significant effect on a European site. European sites consist of Special Areas of Conservation (SACs), Special Protection Areas (SPAs) and Offshore Marine Sites (OMS). *The HRA has identified the need for mitigation measures to be included in the policy to require the developer ensures that the location and design of new development will not negatively impact upon a designated or candidate European Site.*

2 Background

2 Background

2.1 Planning Policy Statement 3 (PPS3) was published in 2006 (and amended in 2010) and sets out the national planning policy framework for delivering the Government's housing objectives.

2.2 Paragraph 10 of PPS3 sets out the housing policy objectives that provide the context for planning for housing through development plans and planning decisions. It states that the specific outcomes that the planning system should deliver are:

- High quality housing that is well-designed and built to a high standard.
- A mix of housing, both market and affordable, particularly in terms of tenure and price, to support a wide variety of households in all areas, both urban and rural.
- A sufficient quantity of housing taking into account need and demand and seeking to improve choice.
- Housing developments in suitable locations, which offer a good range of community facilities and with good access to jobs, key services and infrastructure.
- A flexible, responsive supply of land – managed in a way that makes efficient and effective use of land, including re-use of previously-developed land, where appropriate.

2.3 Paragraph 60 explains the steps local authorities are required to take to maintain a flexible, responsive supply of land. The supply of deliverable sites should be monitored on an annual basis through the Annual Monitoring Report. If a five year deliverable supply is not likely to be available, consideration should then be given to the arrangements necessary to maintain an adequate supply of deliverable sites.

2.4 In circumstances where the Local Planning Authority does not manage the supply of housing land and cannot demonstrate an up-to-date five years supply of deliverable sites, paragraph 71 requires that they should consider favourably planning applications for housing, having regard to the policies in PPS3 including the considerations in paragraph 69.

2.5 If the local authority cannot demonstrate that it has a deliverable five years supply, this means that the Local Planning Authority should give favourable consideration to planning applications for housing development on sites outside of settlement boundaries. Providing that developers can demonstrate that they meet the requirements of paragraph 69 of PPS3 (which relate to the quality of development, mix of housing in the scheme, environmental sustainability and meeting housing need without undermining the spatial vision for the area), it will be difficult for a Local Planning Authority to refuse such applications.

2.6 This leaves the Local Planning Authority having to deal with planning applications without reference to a planned approach to the development of the communities of the Borough. PPS3 states that the authority cannot argue that the release of any particular site is premature and should be considered through the Local Development Framework process. Examples from other local authorities demonstrate that in considering appeals in these circumstances, inspectors have frequently allowed developments, because of the lack of a five year housing land supply. There have been cases of such development being allowed in Green Belt locations.

2 Background

The Annual Housing Requirement

2.7 The accepted methodology for determining the total five year supply requirement has been based on figures from the Regional Spatial Strategy. ***The Government has indicated that it intends to revoke Regional Spatial Strategies, however, following a successful legal challenge, they continue to be part of the development plan until the legislation has been passed. Policy L4 of the North West of England Plan, Regional Strategy to 2010 requires local authorities to monitor and manage the availability of land to achieve the housing provision set out in Table 7.1 of the policy. The total for the Cheshire East constituent authorities is 1150 net additional dwellings per annum. This figure reflects the level of house building in the Borough that was delivered in the ten years up to April 2010.***

2.8 ***The Regional Spatial Strategy housing provision figure of 1150 net additional houses per annum will continue to be the housing requirement for Cheshire East until it is reviewed through the Local Development Framework.***

Managing the Five Year Housing Land Supply

2.9 The Local Development Framework Annual Monitoring 2009 report calculated the Council's five year supply of housing land at 1 April 2009 as 5.14 years, based on the RSS figure. Since then a full review of potential sites has been carried out in parallel with the preparation of a Strategic Housing Land Availability Assessment for the whole of Cheshire East. The latest assessment indicates a supply of 4.58 years at 1 April 2010. ***The effectiveness of the Interim Housing Policy will be kept under review as part of the Local Development Framework Annual Monitoring Report.***

2.10 The failure to be able to demonstrate a five year supply of available housing land has implications for the Council. PPS3 states that "where local planning authorities cannot demonstrate an up to date five year supply of deliverable sites . . . they should consider favourably planning applications for housing, having regard to the policies in this PPS".

2.11 The inability of the Council to demonstrate a five year supply of housing land carries a high risk that land owners/developers will submit speculative planning applications for their development outside settlement boundaries. Such applications would have to be determined through the planning process in the usual way. In the case of refusal of planning permission, appeals may be upheld on the grounds that there is not a 5 years housing land supply. Nevertheless whilst there is less than a 5 year supply of deliverable housing sites, there is a high degree of risk that planning permission may be granted on appeal for housing on greenfield sites outside settlement boundaries in conflict with the policies of the three Local Plans. Such decisions would also prejudice the preparation of the Local Development Framework and affect the Council's ability to objectively determine the most appropriate strategy and sites for future housing development.

Interim Policy to Manage the Release of Housing Land

2.12 The Interim Planning Policy on the Release of Housing Land has been drawn up in the context of the work that has been undertaken on developing the Crewe Vision to promote the growth and prosperity of Crewe as a town of sub-regional importance. The development

2 Background

of Crewe will be fundamental to the development strategy for the Borough. Development in Crewe will support sustainability objectives as Crewe has a good range of jobs, shops and services and a high standard of accessibility by means of travel other than the car.

2.13 The development proposals envisaged for Crewe will require significant investment in the strategic highway network around Crewe, in particular the Crewe Green Link Road and the Barthomley Link Road, to improve accessibility to Junction 16 of the M6. In addition, improvements to the local highway network in Crewe and public transport and cycling provision will be required to facilitate new housing development on the outskirts of Crewe. The Council is currently considering options for securing funding of the necessary strategic and local transport improvements. Once the funding arrangements have been approved by the Council, any new housing developments that impact on the highway network in and around Crewe will be required to make contributions towards both strategic and local transport improvements

2.14 The Interim Planning Policy will facilitate the release of a limited number of housing sites on the edge of Crewe outside the green gap. Developers of these sites will have to demonstrate that the site can be delivered within five years of the grant of permission and as there are little or no redevelopment costs associated with these greenfield sites, they will be required to deliver high quality, well designed developments with a minimum of 35% of the housing being affordable in accordance with the Interim Planning Statement on Affordable Housing as well as contributions to improve the strategic and local transport networks in accordance with the forthcoming Transport Contributions Levy. In addition, open space and/or community benefits will be required to meet the needs of future residents in accordance with the saved Local Plan policies.

2.15 The Interim Planning Policy will also enable housing to be brought forward as part of mixed use redevelopment schemes within settlements to support the development of the site for employment, town centres and or other uses, in accordance with the relevant Local Plan policies. Subject to economic viability assessment, a minimum of 30% of the housing should be affordable in accordance with the Interim Planning Statement on Affordable Housing.

3 Interim Planning Policy on the Release of Housing Land

3 Interim Planning Policy on the Release of Housing Land

3 Interim Planning Policy on the Release of Housing Land

Interim Planning Policy on the Release of Housing Land

When it is demonstrated through the Annual Monitoring Report that there is not a five year supply of housing land as defined by PPS3, subject to other saved policies of the relevant Local Plan being satisfied, residential development will be permitted in the following locations:

1. Adjacent to the settlement boundary of Crewe provided that the site:
 - is well related to the built framework of the settlement;
 - is not within the Green Gap;
 - is not within an allocated employment area;
 - ***is not within an area safeguarded for the operational needs of Leighton Hospital;***
 - is capable of being fully developed within five years of the granting of outline planning permission;
 - ***delivers development that improves the supply, choice and quality of housing in Crewe; and***
 - ***supports the delivery of the Council's overall vision and objectives for Crewe.***
2. As part of mixed developments in town centres and regeneration areas to support the provision of employment, town centre and community uses.

Housing developments ***and its infrastructure*** on greenfield sites ***permitted under this policy*** will be required ***to demonstrate that they will not impact on the designated or candidate European Sites (Special Areas of Conservation; Special Protection Areas; Ramsar Sites and Offshore Marine Sites) protected under the European Habitats Directives 92/43/EEC or the Conservation of Habitats and Species Regulations 2010 and to deliver:***

- a minimum of 35% affordable housing in accordance with the Interim Planning Statement on Affordable Housing;
- open space and / or community facilities in accordance with the relevant saved Local Plan policy
- improvements to the strategic and local highway network, public transport, and pedestrian and cycle routes; and
- a high quality designed development to Code for Sustainable Homes Level 4 or higher and Building for Life Silver standard or higher.

Subject to the assessment of the economic viability of the scheme, housing development on mixed use redevelopment sites ***permitted under this policy*** will be expected to deliver:

- a minimum of 30% affordable housing in accordance with the Interim Planning Statement on Affordable Housing;
- employment, town centre and / or community uses within the site; and

3 Interim Planning Policy on the Release of Housing Land

- a high quality design to Code for Sustainable Homes Level 3 or higher and Building for Life Silver standard.

Justification

3.1 PPS3 states that the Council is required to demonstrate that there is a five year supply of deliverable housing land. Pending the adoption of the Cheshire East Local Development Framework Core Strategy it is likely that there will be insufficient deliverable housing land within the settlement boundaries identified in the three Local Plans of the former local authorities. The Interim Planning Policy on the Release of Housing Land has been introduced as an interim measure to facilitate the release of additional sites on the edge of Crewe and to encourage the redevelopment of sites within town centres and elsewhere for mixed uses including housing development.

3.2 Crewe is a principal town and will continue to be a focus for future housing development in the Borough as envisaged in the Crewe Vision. Although the overall amount and direction for growth has yet to be determined, it is considered that there is scope for sufficient housing development to be brought forward adjacent to the Local Plan settlement boundary of Crewe (not including the village of Shavington) to meet the short term need for housing land in the Borough in a way that would not prejudice the preparation of the Local Development Framework.

3.3 Sites that are approved under this interim policy should be capable of being built out within five years of the grant of outline planning permission under average market conditions. ***Developers will be required to demonstrate as part of their planning application that the development is deliverable within 5 years. Conditions may be attached to planning permissions to grant consent for a limited period and require that sites to be started within a prescribed period.*** For sites that will require a longer period for development, permission will only be granted for the first phase of the site.

3.4 The development of any greenfield sites adjacent to the settlement boundaries will be considered as exceptional development and will be required to be of a high design standard and deliver 35% of the development as affordable housing in accordance with the Interim Affordable Housing Policy. ***New development will also incorporate open space and community facilities in accordance with the relevant saved Local Plan policy and will aim to provide access to open space in line with relevant accessibility standards outlined within the Cheshire East Open Space Assessment.*** They will also be required to contribute towards the improvements to the strategic and local transport networks and public transport in and around Crewe. ***In order to safeguard European Sites in proximity to Crewe, any highway improvements to serve the new development will not be located within 300m of a European Site and where necessary will incorporate run-off interception measures.***

3 Interim Planning Policy on the Release of Housing Land

3.5 It is recognised that there are a number of areas within town centres and older employment areas throughout the towns of the Borough that may have the potential for regeneration. This policy aims to encourage mixed use schemes to come forward which include housing development to support the redevelopment of the site for a range of employment and other uses.

3.6 Many older areas are designated as conservation areas and include listed buildings. Any scheme should seek to retain and convert existing buildings in these areas. Particular care will be needed with the design of new developments to ensure that they are appropriate to the character of the area.

This page is intentionally left blank

CABINET UPDATE REPORT AGENDA ITEMS 8

AGENDA ITEM 8 - KEY DEC 76 INTERIM PLANNING POLICY ON RELEASE OF HOUSING LAND

Since preparing the report for the Cabinet, Natural England has submitted its comments on the Habitats Regulations Assessment undertaken on the interim policy. Natural England is seeking additional clarification on the mitigation measures required to ensure that the policy does not impact on European Habitats Sites, and the following revision has been proposed to the justification to the policy:

Recommendation 41: Amend paragraph 3.4 to read:

The development of any greenfield sites adjacent to the settlement boundaries will be considered as exceptional development and will be required to be of a high design standard and deliver 35% of the development as affordable housing in accordance with the Interim Affordable Housing Policy. ***New development will also incorporate open space and community facilities in accordance with the relevant saved Local Plan policy and will aim to provide access to open space in line with relevant accessibility standards outlined within the Cheshire East Open Space Assessment.*** They will also be required to contribute towards the improvements to the strategic and local transport networks and public transport in and around Crewe. ***In order to safeguard European Sites in proximity to Crewe, any highway improvements to serve the new development will not be located within 300m of a European Site and where necessary will incorporate run-off interception measures.***

Natural England has also commented that the Regulations governing European Habitats should be updated to “the Conservation of Habitats and Special Regulations 2010”

Recommendation 39 be revised to replace the “Conservation (Natural Habitats) Regulations 2007” with “Conservation of Habitats and Special Regulations 2010”

At its meeting on 8 February the Environment and Prosperity Scrutiny Committee approved the above amendments and the recommendations contained in this report.

In addition Paragraph 10.16 of the Cabinet report needs to be updated to reflect the number of representations received as follows:

- 10.16 Comments were received from **74** respondents, many setting out detailed consideration of the wording of the policy. In total **283** separate comments were made. **189 objections and 32 comments were received, many proposing revisions to the policy.** 62 responses supported the policy as a means of ensuring that the Council maintains a 5 year supply of housing land and is able to properly plan for the sustainable development of its settlements through the LDF. Appendix 1 sets out a summary of the points raised and recommendations for revisions to the Interim Planning Policy to address issues of concern.

The decision requested therefore now amended as follows:

That Council be recommended

1. to approve the housing requirement figure of 1150 net additional dwellings to be delivered annually, to be used pending the adoption of the Local Development Framework Core Strategy.
2. to adopt the Interim Planning Policy on the Release of Housing Land as set out in Appendix 2, [subject to the revisions and updates now reported](#), and agrees that it be used in the determination of planning applications.

This page is intentionally left blank

COUNCIL MEETING – 24TH FEBRUARY 2011

**Extract from the Minutes of the Constitution Committee Meeting on
27th January 2011**

43 LICENSING COMMITTEE TERMS OF REFERENCE AND DELEGATIONS

The Committee considered proposed changes to the Licensing Committee terms of reference and licensing delegations within the Constitution.

On 10th January 2011 the Licensing Committee considered a report in relation to the amendment of the licensing delegations which referred to the need to clarify those functions which stand referred to the General Licensing Sub-Committee and those which stand referred to the Licensing Act Sub-Committee. The Committee resolved to recommend to the Constitution Committee the amendments to the Constitution set out within paragraph 10.2 of the report to the Constitution Committee.

The Licensing Committee also considered a report in relation to the licensing of 'sexual entertainment venues.' Having considered the report, the Licensing Committee resolved, subject to the decision of Council on the principle of adoption of the relevant legislation, to recommend to the Constitution Committee the amendments to the Constitution set out within parts 1B and 2B of Appendix A to the report.

RESOLVED

That

- (1) Council be recommended to approve the following amendments to the Constitution in relation to licensing delegations:
 - (a) references to the Licensing Sub-Committee within paragraph 25.3 of the Officer Management Arrangements within Part III of the Constitution be amended to "the General Licensing Sub-Committee";
 - (b) references to the Licensing Sub-Committee within paragraph 25.4 of the Officer Management Arrangements within Part III of the Constitution be amended to "the Licensing Act Sub-Committee";
 - (c) references to the Licensing Sub-Committee within sub-paragraphs (i) to (iii), (v) and (vi) in relation to the General Licensing Functions at pages 160 and 161 of the Constitution be amended to "the General Licensing Sub-Committee";
 - (d) references to the Licensing Sub-Committee within sub-paragraphs (ii) to (xi) in relation to licensing functions under the Licensing Act 2003 and Gambling Act 2005 at page 161 of the Constitution be amended to "the Licensing Act Sub-Committee"; and

- (2) subject to the decision of Council in relation to the adoption of the amendments to Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 made by section 27 of the Policing and Crime Act 2009, Council be recommended to approve the amendments to the Constitution in relation to the Licensing Committee's terms of reference and officer delegations as set out within parts 1B and 2B of Appendix A to the report (relating to the exercise of functions in relation to the licensing of sexual entertainment venues).

CHESHIRE EAST COUNCIL

Constitution Committee

Date of meeting: 27th January 2010
Report of: Borough Solicitor
Title: Licensing Committee Terms of Reference and Delegations

1.0 Report Summary

- 1.1 The report provides background information in relation to the licensing delegations and the Licensing Committee terms of reference. The report requests that the Constitution Committee makes recommendations to Council in relation to certain proposed amendments to the Constitution.

2.0 Recommendations

- 2.1 The Constitution Committee is requested to recommend to Council the approval of the amendments to the Constitution, in relation to licensing delegations, set out within paragraph 10.2 of this report; and
- 2.2 Subject to the decision of Council in relation to the adoption of the amendments to Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 made by section 27 of the Policing and Crime Act 2009, the Constitution Committee is requested to recommend to Council the approval of amendments to the Constitution in relation to the Licensing Committee's terms of reference and officer delegations as set out within parts 1B and 2B of Appendix A (relating to the exercise of functions in relation to the licensing of sexual entertainment venues).

3.0 Reasons for Recommendations

- 3.1 On 10th January 2011 the Licensing Committee considered a report in relation to the amendment of the licensing delegations which referred to the need to clarify those functions which stand referred to the General Licensing Sub-Committee and those which stand referred to the Licensing Act Sub-Committee. The Committee resolved to recommend to Constitution Committee the amendments to the Constitution set out within paragraph 10.2 below.
- 3.2 On 10th January 2011 the Licensing Committee also considered a report in relation to the licensing of 'sexual entertainment venues.' Having considered the report, the Licensing Committee resolved, subject to the decision of Council on the principle of adoption of the relevant legislation, to recommend to Constitution Committee the amendments to the Constitution set out within parts 1B and 2A of Appendix A to this report.

4.0 Wards Affected

4.1 All

5.0 Local Ward Members

5.1 All

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

6.1 None.

7.0 Financial Implications 2010/11 and beyond (Authorised by the Borough Treasurer)

7.1 None.

8.0 Legal Implications (Authorised by the Borough Solicitor)

8.1 Section 9 of the Licensing Act 2003 provides that a Licensing Committee established under the 2003 Act may establish one or more sub-committees consisting of three members of the committee.

8.2 Section 101(1) of the Local Government Act 1972 provides that, subject to any express provision contained in the 1972 Act or any act passed after it, a local authority may arrange for the discharge of any of their functions by a committee, a sub-committee or an officer of the authority.

8.3 Section 27 of the Policing and Crime Act 2009, which came into force on 6th April 2010, amended Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 in order to provide local authorities with the power to regulate 'sexual entertainment venues.' If a local authority wishes to exercise the 'new' powers within Schedule 3, it must formally resolve that the provisions are to have effect in its area. On 10th January 2011 the Licensing Committee resolved to recommend to Council that the amended Schedule 3 is adopted within the Borough of Cheshire East.

8.4 By virtue of the Local Authorities (Functions and Responsibilities)(England) Regulations 2000 (as amended), functions under Schedule 3 of the 1982 Act are not to be the responsibility of the Executive. Subject to Council's decision, the Licensing Committee has recommended the amendments to the Constitution as it relates to the Licensing Committee's terms of reference and officer delegations to take account of the licensing of sexual entertainment venues.

8.4 The implications in terms of the Constitution are set out within the report.

9.0 Risk Management

- 9.1 There is a risk of legal challenge to decisions taken by the licensing authority if the individual/body taking such decisions does not have the correct delegation to do so. The decision requested seeks to ensure clarity in the scheme of delegation as it relates to decision-making by the Licensing Committee, Sub-Committees and officers.

10.0 Background and Options

- 10.1 The Council's Constitution makes provision for the delegation of certain licensing functions to the Head of Safer and Stronger Communities. These delegations are subject to exceptions which, if applicable, require functions to be referred to a meeting of the Licensing Sub-Committee.
- 10.2 Two Sub-Committees have been established in order to deal with licensing functions, the General Licensing Sub-Committee and the Licensing Act Sub-Committee. The Constitution Committee is requested to recommend the following amendments to the Constitution to ensure that the scheme of delegation is clear as to the functions which stand referred to each of the Sub-Committees.
- 10.2.1 to amend references to the Licensing Sub-Committee within paragraph 25.3 of the Officer Management Arrangements within Part III of the Constitution to "the General Licensing Sub-Committee;" and
- 10.2.2 to amend references to the Licensing Sub-Committee within paragraph 25.4 of the Officer Management Arrangements within Part III of the Constitution to "the Licensing Act Sub-Committee."
- 10.2.3 to amend references to the Licensing Sub-Committee within sub-paragraphs (i) to (iii), (v) and (vi) in relation to the General Licensing Functions at pages 160 and 161 of the Constitution to "the General Licensing Sub-Committee;" and
- 10.2.4 to amend references to the Licensing Sub-Committee within sub-paragraphs (ii) to (xi) in relation to licensing functions under the Licensing Act 2003 and Gambling Act 2005 at page 161 of the Constitution to "the Licensing Act Sub-Committee."
- 10.3 As set out within the legal implications at paragraph 8.0 above, Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 makes provision for the regulation of 'sex establishments.' Prior to the enactment of the Policing and Crime Act 2009, the definition of 'sex establishments' was limited to sex shops and sex cinemas. Section 27 of the Policing and Crime Act 2009, which came into force on 6 April 2010, extends the definition of 'sex establishment' to include 'sexual entertainment venues. On 10th January 2010 the Licensing Committee resolved to recommend to Council the adoption of the amended Schedule 3.

- 10.4 The existing licensing delegations within the Council's Constitution make provision for applications in relation to sex shops and sex cinemas to be dealt with by the Licensing Committee, subject to certain delegations to the Head of Safer and Stronger Communities. The detail of the existing delegations is set out within paragraphs 1A and 2A of Appendix A
- 10.5 On 10th January 2010, the Licensing Committee resolved, without prejudice to the decision of Council in relation to the adoption of the legislation, to recommend to Constitution Committee amendments to the delegations to ensure that they deal with the power to deal with applications in relation to sexual entertainment venues. The proposed amendments are set out at paragraphs 1B and 2B of Appendix A.

11.0 Overview of Day One, Year One and Term One Issues

11.1 N/A.

12.0 Access to Information

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

For further information:

Officer: Mrs K Khan, Legal Services
Tel No: (01270) 685847
Email: kate.khan@cheshireeast.gov.uk

Background Documents:

Appendix A – Terms of reference and delegations (current and proposed)

APPENDIX A**1A. Current terms of reference**General Licensing Sub-Committee (page 95)

Function	Full Committee	Sub-Committee
Power to licence sex shops and sex cinemas (including first grant, renewal, transfer and variation of standard conditions)	<p>First grant: all cases before the licensing Committee.</p> <p>Renewal: if there are objections which are not withdrawn and which cannot be dealt with under the authority delegated to officers</p> <p>Transfer: if there are objections which are not withdrawn and which cannot be dealt with under the authority delegated to officers</p> <p>Variation of standard conditions</p>	

Schedule of functions (page 97)

All Council (non-executive) functions relating to:

(a) licensing and registration functions in respect of:

(iii) sex shops and sex cinemas

1B. Proposed terms of referenceGeneral Licensing Sub-Committee

Function	Full Committee	Sub-Committee
<i>Power to licence sex establishments (including first grant, renewal, transfer and variation of conditions)</i>		<p><i>First grant.</i></p> <p><i>Renewal: if objections are received and are not withdrawn</i></p> <p><i>Transfer: if objections are</i></p>

		<i>received and not withdrawn</i> <i>Variation of conditions</i>
--	--	---

Schedule of functions

All Council (non-executive) functions relating to:

(b) licensing and registration functions in respect of:

(iii) sex establishments

2A. Current delegations in relation to sex establishments

(pages 134/135)

25.2 Subject to the exceptions listed below, the Head of Safer and Stronger Communities is authorised to discharge the following licensing functions:-

25.2.5 Power to renew or transfer licences for sex shops and sex cinemas where:-

25.2.5.1 there has been no material change to the character of the relevant locality or to the use to which any premises in the vicinity are put or to the layout, character or condition of the premises in respect of which the application is made; and

25.2.5.2 no objections have been received, or those that have been received should in the officer's opinion be set aside on the grounds that the Council could not lawfully take them into account.

25.3 In the following circumstances, the power delegated to the Head of Safer and Stronger Communities in respect of general licensing functions shall stand referred to the body set out below:-

25.3.4 The determination of applications for the renewal or transfer of licences for sex shops and sex cinemas where there are objections which are not be withdrawn and cannot be dealt with under the authority delegated to officers be referred to the Licensing Committee.

(page 159)

Subject to the exceptions listed below the Head of Safer and Stronger Communities is authorised to discharge the following Council (non-executive) functions.

(h)	<i>Power to renew or transfer licences for sex shops and sex cinemas</i>	Local Government (Miscellaneous Provisions) Act 1982, section 2 and Schedule 3.
-----	--	---

	[where (i) there has been no material change to the character of the relevant locality or to the use to which any premises in the vicinity are put or to the layout, character or condition of the premises in respect of which the application is made; and (ii) no objections have been received or those that have been received should in the officer's opinion be set aside on the ground that the Council could not lawfully take them into account]	
--	--	--

(iv) The determination of applications for the renewal or transfer of licences for sex shops and sex cinemas where there are objections which are not be withdrawn and cannot be dealt with under the authority delegated to officers be referred to the Licensing Committee.

2B. Proposed delegations in relation to sex establishments

25.2 Subject to the exceptions listed below, the Head of Safer and Stronger Communities is authorised to discharge the following licensing functions:-

25.2.5 Power to renew or transfer licences for sex establishments where:-

25.2.5.1 there has been no material change to the character of the relevant locality or to the use to which any premises in the vicinity are put or to the layout, character or condition of the premises in respect of which the application is made; and

25.2.5.2 no objections have been received, or those that have been received have been withdrawn.

25.3 In the following circumstances, the power delegated to the Head of Safer and Stronger Communities in respect of general licensing functions shall stand referred to the body set out below:-

25.3.4 The determination of applications for the renewal or transfer of licences for establishments where objections have been received and have not been withdrawn, shall be referred to the General Licensing Sub-Committee.

Subject to the exceptions listed below the Head of Safer and Stronger Communities is authorised to discharge the following Council (non-executive) functions.

(h)	<p><i>Power to renew or transfer licences for sex establishments</i></p> <p><i>Where (i) there has been no material change to the character of the relevant locality or to the use to which any premises in the vicinity are put or to the layout, character or condition of the premises in respect of which the application is made; and (ii) no objections have been received</i></p>	<p><i>Local Government (Miscellaneous Provisions) Act 1982, section 2 and Schedule 3.</i></p>
-----	--	---

(iv) The determination of applications for the renewal or transfer of licences for sex establishments where objections are received and have not been withdrawn, shall be referred to the General Licensing Sub- Committee.

COUNCIL MEETING – 24TH FEBRUARY 2011

Extract from the Minutes of the Constitution Committee Meeting on 27th January 2011

44 PUBLIC SPEAKING AT PUBLIC RIGHTS OF WAY COMMITTEE

The Committee considered proposed changes to the public speaking arrangements for the Public Rights of Way Committee.

Public speaking at the Public Rights of Way Committee was currently in accordance with Procedure Rule No. 35, which allowed a total period of 10 minutes for members of the public to address the Committee on any matter relevant to the work of the Committee. On the Agenda, the Public Speaking Time/Open Session was held before any of the applications were considered by the Committee.

In practice, public speaking at meetings of the Public Rights of Way Committee tended to deal with the specific applications on the agenda rather than more generally with the work of the Committee. It was therefore proposed that Procedure Rule No. 35 be disapplied in respect of the Public Rights of Way Committee and that an alternative Procedure, as outlined in Appendix 1 to the report, be adopted which would enable members of the public to address the Public Rights of Way Committee when the relevant application was being considered. The proposed change would bring the Public Rights of Way Committee in line with the Council's other regulatory committees.

While the Constitution Committee supported the proposals, Members felt that Procedure Rule 35 should be retained alongside the new provisions so that members of the public could continue to speak and ask questions on more general matters within the purview of the Public Rights of Way Committee.

In considering the matter, Members made a number of comments about how the public speaking arrangements at meetings of the planning committees currently operated and asked that this be reviewed.

RESOLVED

That

(1) Council be recommended to agree that

- (a) the proposed public speaking arrangements set out in Appendix 1 to the report be adopted for the Public Rights of Way Committee in relation to applications on the agenda;
- (b) Procedure Rule 35 continue to apply in order to facilitate public participation not relating to specific applications;

- (c) the Constitution be amended accordingly; and
- (2) the Planning Protocol Sub-Committee be asked to review the arrangements for public speaking at meetings of the Council's planning committees and the Sub-Committee's terms of reference be extended accordingly.

CHESHIRE EAST COUNCIL

Constitution Committee

Date of Meeting: 27 January 2011
Report of: Borough Solicitor
Subject/Title: Public Speaking at Public Rights of Way Committee

1.0 Report Summary

- 1.1 This report considers issues surrounding public question/speaking at the Public Rights of Way Committee.

2.0 Recommendation

- 2.1 That the Constitution Committee recommend to Council that Procedure Rule No. 35 be disapplied in respect of for the Public Rights of Way Committee and that the proposed public speaking arrangements for the Public Right of Way Committee, as detailed in Appendix 1 to the Report, be approved and the Constitution amended accordingly.

3.0 Reasons for Recommendations

- 3.1 The waiving of Procedure Rules No for the Public Rights of Way Committee and the adoption of the Procedure outlined in Appendix 1 would enable members of the public to address the Public Rights of Way Committee when the relevant application was being discussed.
- 3.2 This would allow the Committee to consider any issues raised by the speakers when dealing with the application and for Officers to respond to these issues.

4.0 Wards Affected

- 4.1 All Wards

5.0 Local Ward Members

- 5.1 All Ward Members

6.0 Policy Implications including - Climate change - Health

- 6.1 There are no direct policy implications arising from the proposals contained in the report.

7.0 Financial Implications

- 7.1 None can be identified.

8.0 Legal Implications

- 8.1 The Public Rights of Way Committee is acting in a quasi-judicial mode when considering applications for the diversion of public footpaths under section 257 of the Town and Country Planning Act and section 119 of the Highways Act 1980. The Committee has to ensure that the legal tests for making and confirming an Order are satisfied for each application.

9.0 Risk Management

- 9.1 Amending the public speaking rule will give members of the public the opportunity to present direct to the Committee the issues they wish to raise and ensure that the Committee gives proper consideration to these issues.

10.0 Background and Options

- 10.1 Public speaking at the Public Rights of Way Committee is currently in accordance with Procedure Rules No. 35, which allows a total period of 10 minutes for members of the public to address the Committee on any matter relevant to the work of the Committee. On the Agenda, the Public Speaking Time/Open Session is held before any of the applications are considered by the Committee.
- 10.2 The Public Rights of Way Committee deals with up to 10 applications at each meeting, with any speakers having to address the Committee before any of these applications are considered by the Committee. The 10 minutes must be shared between all speakers, so little time is available for representation. Also members of the public are not able to make representations at the time when the matter in question is under consideration.
- 10.3 It is therefore proposed that Procedure Rules No. 35 be disapplied in respect of the Public Rights of Way Committee and the Procedure outlined in Appendix 1 be adopted, which would enable members of the public to address the Public Rights of Way Committee when the relevant application was being discussed.
- 10.4 This would allow the Committee to consider any issues raised by the speakers when dealing with the application and for Officers to respond to these issues.
- 10.5 The proposed Public Speaking Rules are based on those used by other local authorities'; examples of these are attached at Appendix 2.
- 10.6 This change would also bring the Public Rights of Way Committee in line with the Council's other regulatory committees, as the Planning and Licensing Committees already have public speaking rules that allow members of the

public to address the Committee when considering each individual application on the agenda.

- 10.7 The proposed Public Speaking Procedure was trialled at the meeting of the Public Rights of Way Committee on 13 December 2010. This change proved to be a benefit to the conduct of the meeting.

11.0 Access to Information

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

Name: Rachel Graves

Designation: Democratic Services Officer

Tel No: 01270 686473

Email: rachel.graves@cheshireeast.gov.uk

This page is intentionally left blank

APPENDIX 1

**PROCEDURE FOR MEMBERS OF THE PUBLIC WISHING TO ADDRESS
THE PUBLIC RIGHTS OF WAY COMMITTEE**

- 1 For each application on the agenda, a total of 6 minutes is allocated for public speaking, with 3 minutes being allocated for objectors and 3 minutes being allocated for supporters. If there is more than one person wishing to speak as an objector or supporter, the 3 minutes shall be divided equally among them or they may appoint one of their number to speak for all.
- 2 No member of the public shall speak on a matter before the Chairman has introduced the report. Members of the public may not participate in the debate or ask questions of Officers or Members.
- 3 At the Chairman's discretion, Members of the Committee may, through the Chairman, ask questions of a speaker for clarification but should not enter into a discussion with them.
- 4 Any member of the public wishing to address the Committee must give notice of their intention, in writing, to the Democratic Services Manager by 12 noon one clear working day before the meeting.
- 5 These provisions may be varied at the discretion of the Chairman.

This page is intentionally left blank

APPENDIX 2

EXAMPLES OF PUBLIC SPEAKING RULES FOR PUBLIC RIGHTS OF WAY COMMITTEES AT OTHER LOCAL AUTHORITIES

A BUCKINGHAMSHIRE COUNTY COUNCIL

PROCEDURE FOR MEMBERS OF THE PUBLIC WISHING TO ADDRESS THE RIGHTS OF WAY COMMITTEE

- 1 The applicant, the landowner, and anyone who has lodged an objection or representation may address the Committee to speak for or against the application, either personally or through a representative.
- 2 Anyone wishing to address the Committee must give four working days notice to the Committee Clerk, who will then notify other interested parties.
- 3 Additional evidence may be presented but anything received later than three working days prior to the meeting will only be accepted in exceptional circumstances and at the Chairman's discretion.
- 4 Each side shall have four minutes in which to speak to the Committee. If there is more than one person wishing to speak for a particular side, the four minutes shall be divided between them or a spokesperson may be appointed to speak on behalf of all of them.
- 5 No member of the public shall speak on a matter before the County Council's officer has presented his/her report.
- 6 Members may ask questions of speakers for clarification but should not enter into a discussion with the person.
- 7 Personal remarks will not be tolerated.
- 8 The Chairman reserves the right to terminate a speaker's presentation at any time.

B SUFFOLK COUNTY COUNCIL

Public Speaking at County Council and Committee Meetings

- Development Control and Rights of Way Committee
- 1 Any member of the public, being resident in or a registered local government elector for Suffolk, may speak at any meeting of the Development Control Committee or the Rights of Way Committee, on any matter before the Committee for consideration at that meeting, where appropriate notice has been given.

- 2 A total of 10 minutes of public speaking will be allowed for each matter before the Committee. The total time allocated to each speaker will not exceed 3 minutes,

C DEVON COUNTY COUNCIL

PUBLIC PARTICIPATION AT PUBLIC RIGHTS OF WAY COMMITTEE

- 1 At any meeting of the Public Rights of Way Committee an objector or supporter may make a presentation of up to three minutes relating to any Order relating to a proposal for a public path order to be considered by the Committee, at the meeting at which it is to be considered.
- 2 Any objector or supporter who wishes to make a presentation to the Public Rights of Way Committee must give notice of that intention, in writing, to the Chief Executive by 12 noon on the third working day before the relevant meeting of the Committee, indicating the proposal upon which he/she wishes to make a presentation.
- 3 Where a number of objectors or supporters wish to make presentations, a representative shall be nominated by them to present the views of all the objectors or supporters. In such cases the identity of the spokesperson must also be made known to the Chief Executive prior to the start of the meeting. If necessary the Chief Executive will draw the attention of objectors or supporters to the need to nominate a single spokesperson.
- 4 Presentations will be strictly limited to three minutes and will be made only after a short introduction of the report by the relevant Officer. Objectors or supporters may not participate in the debate or ask questions of Officers or Members.
- 5 Where presentations are to be made by both an objector and a supporter on a particular proposal, they will be taken in that order, but if one decides not to participate the other will not be precluded from making a presentation.

COUNCIL MEETING – 24TH FEBRUARY 2011

**Extract from the Minutes of the Licensing Committee Meeting on
10th January 2011**

**SEXUAL ENTERTAINMENT VENUES – SCHEDULE 3 LOCAL
GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1982 (AS
AMENDED)**

The Committee considered a report regarding the amendments to Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 ('the 1982 Act') made by section 27 of the Policing and Crime Act 2009 and the statutory provisions in relation to the adoption of the power to regulate 'sexual entertainment venues' within the amended Schedule. The report also detailed the consultation responses received in relation to both the principle of adoption of the amendments to Schedule 3 of the 1982 Act and a draft policy on the licensing of sexual entertainment venues. In addition, the Solicitor reported four further responses which had been received following the end of the consultation period. Based on the consultation responses received, the Committee made a number of changes to the draft policy on the licensing of sexual entertainment venues, to reflect some of the observations made.

RESOLVED

- (a) That it be recommended to Council that the provisions of Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982, as amended by section 27 of the Policing and Crime Act 2009, be adopted and shall apply within the Borough of Cheshire East; and
- (b) That it be recommended to Council that the provisions of Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982, as amended by section 27 of the Policing and Crime Act 2009, shall come into force in the Borough of Cheshire East on 4th April 2011.

Background Note

On 10th January 2011 the Licensing Committee resolved to recommend that the provisions of Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 ('the 1982 Act'), as amended by section 27 of the Policing and Crime Act 2009 be adopted and shall apply within the Borough of Cheshire East with effect from 4th April 2011.

As Members will note from the Licensing Committee report, the amended provisions of Schedule 3 of the 1982 Act provide local authorities with the power to regulate 'sexual entertainment venues.' The Licensing Committee made its recommendation to Council having considered consultation responses, relating to the principle of adoption of the legislation, made during a twelve week consultation period.

In parallel with the consultation exercise in relation to the adoption of the legislation, and without prejudice to that decision, a consultation exercise was carried out in relation to a draft policy. Subject to Council's decision, the Licensing Committee considered the responses received relating to the draft policy. The Committee resolved to make a number of amendments to the policy which have been subject to a further period of consultation. Subject to Council's decision, it is proposed that the additional responses on the draft policy will be considered at a meeting of the Licensing Committee on 7th March 2011.

CHESHIRE EAST COUNCIL

REPORT TO: LICENSING COMMITTEE

Date of Meeting:	10th January 2011
Report of:	Legal Team Leader (Regulatory)
Subject/Title:	Sexual Entertainment Venues - Schedule 3 Local Government (Miscellaneous Provisions) Act 1982 (as amended)

1.0 Report Summary

- 1.1 The report provides background information in relation to the amendments to Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 'the 1982 Act' made by section 27 of the Policing and Crime Act 2009. The report sets out the statutory provisions in relation to the adoption of the power to regulate 'sexual entertainment venues' within the amended Schedule and details the consultation responses received in relation both to the principle of adoption and the draft policy.

2.0 Recommendations

- 2.1 The Licensing Committee is requested:

- 2.1.1 to consider the responses received in relation to the consultation exercise on the principle of adoption of the amendments to Schedule 3 of the 1982 Act;

- 2.1.2 in the light of the consultation responses, to resolve whether to recommend to Council that the provisions of Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982, as amended by section 27 of the Policing and Crime Act 2009, are adopted and shall apply within the Borough of Cheshire East; and

- 2.1.3 if the Committee resolves to recommend to Council that the provisions should be adopted, to determine that the recommendation includes a statement that the provisions of Schedule 3, as amended, will come into force in the Borough of Cheshire East on 4th April 2011.

- 2.2 Subject to the decision in 2.1.2 above, and without prejudice to the subsequent decision of Council, the Licensing Committee is requested:

- 2.2.1 to consider to the consultation responses received in response to the consultation exercise on the draft policy in relation to the licensing of sexual entertainment venues; and

- 2.2.2 to resolve whether:

- (a) to approve the policy as originally drafted; or
- (b) to make amendments to the policy.

and, if amendments to the policy of a significant nature are proposed, to approve a further period of consultation on the proposed amendments.

- 2.2.3 to determine the fee levels to apply in relation to sexual entertainment venue applications;
- 2.2.4 to recommend to the Constitution Committee that Council be requested to amend the Constitution in order to make the amendments to the Licensing Committee's terms of reference and the officer delegations set out in Appendix E in relation to the exercise of functions in relation to the licensing of sexual entertainment venues.

3.0 Reasons for Recommendations

- 3.1 The consultation period in relation to the regulation of sexual entertainment venues has concluded and a number of responses have been received. The Licensing Committee is asked to consider the consultation responses and to make a number of decisions in the light of the consultation responses.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

6.0 Policy Implications including - Climate change - Health

- 6.1 The report requests that consideration is given to consultation responses received in relation to a draft policy.

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

- 7.1 There will be a cost implication relating to publication of the requisite statutory notices. Whilst the costs will be dependant upon the charges made by the newspapers in question, the costs may be in the region of £3,500. Budget provision in relation to these costs will be met from in relation to these costs will be met by way of budget virement from the Licensing Printing & Stationery budget.
- 7.2 Subject to the decision in relation to adoption, the Committee is requested to determine the level of fees to apply to applications in relation to sexual entertainment venues. The legislation provides the Council with the ability to

determine a 'reasonable fee' in relation to the grant, renewal or transfer of a sex establishment licence. Further information in relation to fees is set out within paragraph 10.9 of the report.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 Section 27 of the Policing and Crime Act 2009, which came into force on 6th April 2010, amended Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 in order to provide local authorities with the power to regulate 'sexual entertainment venues.' Further details about the statutory definition of 'sexual entertainment venues' are provided within paragraph 10 of the report.
- 8.2 If a local authority wishes to exercise the 'new' powers within Schedule 3 of the 1982 Act it must formally resolve that the provisions are to have effect in its area. The procedure for adoption is set out within section 2 of the 1982, which provides that the local authority must pass a resolution specifying that the amendments made by section 27 of the 2009 Act to Schedule 3 shall apply to its area and must specify the date on which the resolution shall come into force. The specified day must be more than one month after the date on which the resolution was passed. The local authority is also required to publish notice that a resolution has been made for two consecutive weeks in a local newspaper circulating in the area. The first publication may not be later than twenty-eight days before the date specified in the resolution for the provisions to come into force.
- 8.3 Paragraph 13 of Schedule 3 provides the authority for the Council to "make regulations prescribing standard conditions applicable to licences for sex establishments, that is to say, terms, conditions and restrictions on or subject to which licences under this Schedule are in general to be granted, renewed or transferred.." Paragraph 13(1A) states that no standard condition may be prescribed in so far it "relates to any matter in relation to which requirements or prohibitions are or could be imposed under the Regulatory Reform (Fire Safety) Order 2005." Paragraph 13(3) provides that regulations may prescribe conditions regulating – (a) the hours of opening and closing of sex establishments; (b) displays or advertisements on or in such establishments; (c) the visibility of the interior of sex establishments to passers-by; and (d) any change from one kind of sex establishment to another kind of sex establishment. Where the authority has made standard conditions every licence granted, renewed or transferred is presumed to have been granted, renewed or transferred subject to the standard conditions unless they have been expressly excluded or varied.
- 8.4 Paragraph 12 of Schedule 3 sets out the grounds for refusal of an application. Certain grounds, for example that the applicant is under 18 years old or is disqualified, are mandatory grounds for refusal. Other grounds, including those relating to the appropriate number of such establishments in the 'relevant locality,' are discretionary grounds. Further information in relation to the grounds for refusal is set out within the body of the report.

8.5 Paragraph 19 of Schedule 3 provides that the applicant for the grant, variation renewal or transfer of a licence shall pay ‘a reasonable fee determined by the appropriate authority.’

8.6 Additional detail in relation to the interpretation of the legislation is provided in relation to specific issues within paragraph 10.0 of the report.

9.0 Risk Management

9.1 Full and thorough consideration of any consultation responses received would be required to reduce any risk of challenge to any subsequent decisions.

10.0 Background and Options

10.1 Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 makes provision for the regulation of ‘sex establishments.’ Prior to the enactment of the Policing and Crime Act 2009, the definition of ‘sex establishments’ was limited to sex shops and sex cinemas. Section 27 of the Policing and Crime Act 2009, which came into force on 6 April 2010, extends the definition of ‘sex establishment’ to include ‘sexual entertainment venues.’

10.2 A ‘sexual entertainment venue’ for the purposes of the 1982 Act is “any premises at which relevant entertainment is provided before an audience for the financial gain of the organiser or the entertainer.” ‘Relevant entertainment’ means “any live performance or any live display of nudity which is of such a nature that, ignoring financial gain, it must reasonably be assumed to be provided solely or principally for the purpose of sexually stimulating any member of the audience (whether by verbal or other means).”

10.3 If a local authority has resolved before 6 April 2010 that Schedule 3 of the 1982 Act is to apply within its area, then the amendments in relation to sexual entertainment venues within the 2009 Act do not apply to the area of the local authority; however, the local authority may resolve that Schedule 3 of the 1982 Act, as amended by section 27 of the 2009 Act, is to apply to its area.

10.4 As members will recall, at the meeting on 13th September 2010, the Committee authorised the Licensing Manager to carry out a consultation exercise in relation to both the principle of adoption of the amended legislation and on the draft policy. The consultation exercise was carried out between 7th October 2010 and 29th December 2010. As Members will note there is some reference within some of the responses to moral issues. For the avoidance of doubt, Members are reminded (as per paragraph 3.23 of the Home Office Guidance) that objections in relation to applications should “not be based on moral grounds/values and local authorities should not consider objections that are not relevant to the grounds set out in paragraph 12 [of Schedule 3].”

10.5 Principle of adoption

10.5.1 The Licensing Authority has received seventy-three consultation responses, details of which are set out Appendices B and C. As Members will note seventy

of the responses support the principle of adopting the legislation, one response is not in support of adoption, and two responses do not explicitly comment on the principle of adoption but make statements about the regulation of sexual entertainment venues.

10.5.2 As Members will note, paragraph 2.1.2 requests that, if the Committee resolves to adopt the amendments to the legislation, that the recommendation to Council includes a recommendation that the date that the resolution to adopt comes into force is 4th April 2011. As set out within the legal implications, the local authority the resolution must specify the date on which the resolution shall come into force. The specified day must be more than one month after the date on which the resolution was passed. The Council would also be required to publish notice that a resolution has been made for two consecutive weeks in a local newspaper circulating in the area. The first publication may not be later than twenty-eight days before the date specified in the resolution for the provisions to come into force. The Committee's recommendation will be reported to the meeting of Council on 24th February 2011, therefore the date of 4th April 2011 would provide sufficient time to comply with the statutory requirements.

10.6 Policy – discretionary grounds for refusal

10.6.1 As Members will be aware, one of the discretionary grounds for refusal is “*that the number of sex establishments in the relevant locality at the time the application is made is equal to or exceeds the number which the authority consider is appropriate for that locality.*”

10.6.2 The draft policy (attached as Appendix A) currently states at paragraph 3.6 that:

The Council will consider the extent of the locality on a case by case basis taking into account the particular circumstances of each case. However, the Council will not seek to define ‘locality’ as the whole of the Council’s administrative area or an entire town.

A number of consultation responses suggest that paragraph 3.6 should be amended ‘to remove the idea that an entire town cannot be seen as a relevant “locality”.’ This suggestion is amplified within the representation made by HOPE in North East Cheshire which states: ‘The reference to “or an entire town” in the last sentence of paragraph 3.6 may be subject to misinterpretation, fetter council discretion and unnecessarily narrows the definition of locality in each case. It is therefore suggested that these words are deleted because case law does not appear to support this requirement.

10.6.3 Paragraph 3.36 of the Home Office Guidance states as follows in relation to locality:

When considering a particular application case law has indicated that the relevant locality does not have to be a clearly pre-defined area nor are local authorities required to be able to define its precise boundaries. Therefore, whilst a local authority is not prevented from defining the exact area of the

relevant locality, it is equally free to conclude that it simply refers to the area which surrounds the premises specified in the application and does not require further definition. Nevertheless a local authority's view of what constitutes a locality could be open to challenge if they took a completely unreasonable view of the area covered, for example, by concluding that two sex establishments 200 miles away from one another were in the same locality. Case law also indicates that a relevant locality cannot be an entire local authority area or an entire town or city.

The Guidance refers to the case of R v Peterborough City Council ex parte Quietlynn as authority for the final point within this paragraph.

10.6.4 As Members will recall, the policy as currently drafted, does not seek to place a figure on the number of sexual entertainment venues which it considers appropriate in any locality within the Council's administrative area but rather states (i) that each application will be determined on its own merits; and (ii) that consideration will be given to the locality in each case and to the number of Sexual Entertainment Venues suitable for that particular locality. A number of consultation responses suggest that the policy should be amended in this regard to 'have a zero tolerance policy for all sex establishments in the Borough of nil per ward.' The responses suggest that the Council should determine that each Ward is a 'relevant locality' for the purposes of the Act and that the policy should states that the appropriate number of sexual entertainment venues for each Ward is nil.

10.6.5 A further discretionary ground within paragraph 12 of Schedule 3 is on the basis that: *"that the grant or renewal of the licence would be inappropriate, having regard –*

- (i) to the character of the relevant locality; or*
- (ii) to the use to which any premises in the vicinity are put; or*
- (iii) to the layout, character or condition of the premises, vehicle, vessel or stall in respect of which the application is made.*

The draft policy currently sets out certain factors (such as the existence of 'sensitive uses' such as worship and education in the relevant locality) which would generally render the grant or renewal of a licence inappropriate.

Consultation responses received suggest that the policy should be changed so that it "covers a wide range of areas and explains a zero tolerance approach for the main town centres, smaller towns, villages and rural communities, business parks and industrial estates, as being unsuitable for sex establishments for various reasons." Responses also suggest an extended description and list of inappropriate locations for lap dancing venues. The responses suggest the addition of reference to, for example, community facilities including swimming pools, leisure centres, mental health centres, sheltered accommodation, disability centres; historic buildings, tourist attractions, conservation areas, restoration areas, improvement areas, planned improvement areas; pedestrian routes or transport links (such as stations or bus stops); residential accommodation (without the need for this to be a predominant use); shopping

areas, other retail units (and their uses); and other alcohol and entertainment licensed premises.

Members are requested to consider the representations made in relation to paragraph 3.8 of the draft policy and determine whether an amendment should be made to this paragraph.

10.7 Policy – Application process and hearing procedure

10.7.1 Submission of application

- (a) The representation from HOPE in North East Cheshire suggests that the requirements in relation to plans should be expanded. It is acknowledged that the requirements in relation to plans may be clarified by stating that these must show the layout of the premises including: (i) performers changing facilities; (ii) those areas to which the public are to be admitted (shown outlined in red); (iii) toilets; (iv) entrances and exits from the premises (including emergency exits); (v) any stage area (including an annotation as to the height of the stage); (vi) the location of any fixed structures (such as bar area or fixed tables/seating); (vii) the area to be used for customer seating. The point about the size of the plans (i.e. large enough to be easily read) is noted.
- (b) At paragraph 16 of the HOPE representation it is suggested that the warning about false statements should be included in the policy. This warning is set out before the declaration on the final page of the application form. However, this could be repeated in the policy if Members felt that this was necessary.
- (c) A further point is raised about planning consents. Clearly any licence granted by the Licensing Authority would not override the need to obtain any relevant planning approval from the Local Planning Authority. Whilst the policy should not seek to duplicate the planning legislation, a reminder about the planning regime could be included within the policy if Members so wish.
- (d) Paragraph 22 of the HOPE representation states that there is no stipulation in the application process about accompanying fees. This is incorrect, within the bullet points at paragraph 4.1 it is stated that the application form is to be submitted together with the licence fee. To ensure clarity about what will be considered to be a valid application, it may be appropriate to amend the second sentence in paragraph 4.1 to read “The following must be submitted with the completed application form in order to form a valid application:..”
- (e) It is acknowledged that the following amendments to the application form may be of assistance to ensure clarity: (i) the inclusion of a question about the form of ‘relevant entertainment’ which is proposed to be provided at the premises; and (ii) an amendment which would enable the form to be utilised

for renewal, variation and transfer applications in addition to applications for grant.

- (f) In the light of the comments submitted by the Sustainable Communities Scrutiny Committee in relation to CRB checks, it is suggested that paragraph 4.1 could be amended to state that applicants (including directors/the company secretary where the applicant is a company and each of the partners if the applicant is a partnership) are required to submit a basic CRB disclosure.

10.7.2 Advertising requirements

- (a) The representation from HOPE in North East Cheshire suggests that advertising requirements “should state that any notice must be posted in a prominent position for the whole of the time period allowed and so it can be easily read by passers-by”. The current drafting of the policy in this regard (paragraph 4.3) mirrors the requirement within paragraph 10(10) of Schedule 3, i.e. “notice of it shall in addition be displayed for 21 days beginning with the date of the application on or near the premises and in a place where the notice can conveniently be read by the public.” It is suggested that advertising requirements, which went beyond the statutory requirements in this regard, would be challengeable.
- (b) The representation further suggests that the size of the notice should be A3 with details printed legibly in black ink or typed in black in a font of a size equal to or larger than 16. Paragraph 10(13) of Schedule 3 states that subject to the requirement that the notice must identify the premises in question, the local authority may prescribe the form of notice. Members are requested to determine what is reasonable in terms of the form of notice. For assistance, Members may be interested to note that the Licensing Act 2003 (Premises Licence and Club Premises Certificate) Regulations 2005 prescribe that notices in relation to application under the 2003 Act must be no smaller than A4 and with font size equal to or larger than 16.
- (c) The representation suggests that it would be helpful to state that the application will not be considered if the advertising requirements have not been met. As a matter of law, if the application is not advertised in accordance with statutory requirements then the application will be invalid, however the policy may be amended to clarify this if Members so wish.
- (d) Form of notice – it is suggested within the HOPE representation that the form of notice at Appendix 2 of the draft policy be amended to set out which forms of relevant entertainment the application proposes to operate at the premises.
- (e) It is suggested the Members may wish to consider an amendment to the application process within the policy and/or an additional condition which provides that the Council requires applicants for variations to the terms, conditions or restrictions on a licence to comply with the same notice

requirements as those which apply to an application for the grant or renewal of a licence.

10.7.3 Waiver – Paragraph 7 of Schedule 3 makes provision for the local authority to ‘waive’ the requirement for a licence where it considers that requiring a licence would be unreasonable or inappropriate. The draft policy states, at paragraph 3.11 that waivers are unlikely to be appropriate in relation to relevant entertainment and would only be considered in exceptional circumstances. The Police have requested confirmation that they would be consulted in relation to any application for a waiver. There is no officer objection to an amendment which clarifies that the Council would seek to consult the Police in relation to such applications. It may also be of assistance to clarify that the Council would require applicants to supply all of the information requested within the application form appended to the draft policy.

10.7.4 Paragraph 18 of the HOPE representation seeks an amendment to paragraph 4.4 in relation to those who may object. It should be clarified that the existing drafting was in no way intended to suggest that there was a limit on the individuals/groups that can object to such applications, but rather merely sought to provide examples. Given the concern about misinterpretation which has been raised, it may be simplest to remove the examples from paragraph 4.4 and to replace the second paragraph of 4.4 with the following (mirroring the Home Office Guidance):

Any person can object to an application but the objection should be relevant to the grounds set out in paragraph 12 of Schedule 3 for refusing a licence. Objections should not be based on moral grounds/values and local authorities are not in a position to consider objections which are not relevant to the grounds set out in paragraph 12.

10.7.5 Hearing procedure – the representation from HOPE (paragraphs 43- 46) makes comment about the hearing procedure. There is no officer objection to an amendment to the hearing procedure in the manner proposed in order to clarify that objectors have the opportunity, having been asked questions by the other parties to the hearing, to clarify anything which may have been misunderstood.

10.8 Policy – standard conditions

10.8.1 In addition to setting out the proposed policy relating to the factors relevant to the determination of an application, the policy document sets out the application process to be adopted by the Council together with a set of proposed standard conditions. The provisions of paragraph 12 of Schedule 3 in relation to standard conditions are detailed within paragraph 9.3 above. The proposed standard conditions within the attached policy deal with matters including: hours of opening, conduct of the premises, signs doors and window displays, and the employment of persons on the premises, and are based on the conditions which were previously endorsed on Public Entertainment Licences (issued under the 1982 Act). Members are reminded that any conditions imposed on a licence must be necessary and proportionate.

10.8.2 Opening hours – at present condition 3 does not seek to impose standard opening hours and the licensed hours would therefore be determined on a case by case basis depending on the hours applied for and other relevant factors, including the nature of the area in which the premises were located and the content of any objections received. A number of representations (including that from HOPE) suggest that “the opening times in the day should be restricted from 9am and 6pm” and that there should be a restriction on opening on Sundays and Bank Holidays. Members are requested to consider the issue of opening hours. In doing so, Members are reminded that any conditions imposed must be necessary and proportionate in the light of the aims the Act seeks to achieve.

10.8.3 Definitions – in the representations from both the Police and from HOPE a point is raised about individuals working at the premises who are self-employed. It is suggested, in line with the recommendation from the Police, that a further definition be added to condition 1 as follows (and subsequent amendments made throughout the following conditions to reflect the defined term):

‘Employee’ means all persons working on the premises including not only those directly employed by the management of the premises but the self-employed, contractors or their staff promoting or providing any service or Relevant Entertainment; and the term ‘employed’ shall be read in the same context.

10.8.4 Condition 9 – the responses from both HOPE and the Police have highlighted the fact that this condition is effectively duplicitous. In the light of the requirements within conditions 23 – 29 it is acknowledged that condition 9 may be deleted.

10.8.5 Conditions 7 and 38 – the Police have suggested that performers should be required to provide their names and home addresses, rather than just ‘addresses,’ to ensure that they can be identified at a later date if required. There is no officer objection to such an amendment.

Condition 21 – this condition states “Performers not currently performing shall not be in any public part of the Premises in a state of undress.” In the light of the representation from the Police in this regard, Members are asked to consider whether they wish to clarify this condition by stating that, for the purpose of this condition, ‘performers’ include any employees on the premises who work in a state of nudity and that they shall not be in any public part of the Premises in a state of undress when not ‘on duty.’

10.8.6 Conditions general

The representation from HOPE provides additional suggestions in relation to the standard conditions (paragraphs 29 – 32). Members are asked to consider the suggestions contained therein. The following points are highlighted in this regard for consideration:

- (a) the current conditions within the draft policy include a requirement that there shall be no physical contact between performers or customers (condition

19). There is a suggestion within the representations that there should be a prescribed separation distance of one metre. Members are asked to consider whether such a condition is necessary in the light of condition 19 and also whether such a condition is proportionate in the light of the difficulty of enforcement of a precisely prescribed separation distance.

(b) The current conditions include a requirement that a CCTV system be installed to the satisfaction of the Police Licensing Officer. The representation from HOPE cites CCTV conditions suggested by other authorities. It may be suggested that the drafting of the existing condition, by requiring the approval of the Police, is sufficient to ensure that the system is appropriate.

10.9 Fees

10.9.1 As set out above, the Council is able to determine a 'reasonable fee' in relation to the grant, renewal or transfer of a sex establishment licence. Paragraph 3.22 of the Home Office Guidance states that local authorities should have regard to the following documents when determining their fees: (i) The European Services Directive: Guidance for Local Authorities; and (ii) LACORS Guidance on the impact of the Service Directive on council's setting and administering local licence fees within the service sector.

10.9.2 Paragraph 12d of the European Services Directive: Guidance for Local Authorities states:

Local Authorities must set fees that are proportionate to the effective cost of the procedure dealt with. As costs vary from region to region, central advice on the level of fees will not be appropriate. Local Authorities will need to bear in mind the threat of a legal challenge should a service provider feel that the levels of fees are being used as an economic deterrent or to raise funds for Local Authorities. Enforcement costs should not be assimilated with this application fee. This is to forestall the possibility of an unsuccessful applicant seeking legal remedy due to part of his fees having been used to subsidise his successful competitors.

10.9.3 The LACORS guidance reiterates the point about economic deterrent, stating: "The principles of Article 13(2) of the EC Directive 123/2006 mean that any fees charged for establishing a service that falls within the scope of the Directive can only be based on cost recovery and cannot be set at an artificially high level to deter specific service sectors from an area." The Guidance also provides information in relation to what elements may be included when a local authority sets its fees. A relevant extract from the Guidance in this regard is reproduced as Appendix D.

10.9.3 Members will recall that in December 2008 the Licensing Committee set the fee levels to apply to the grant and renewal of sex shop licences (also issued under the provisions of Schedule 3 of the 1982 Act). In setting those fees Members were aware that fees must be limited to covering the Council's costs in carrying out the function under the Act. The procedure relating to the processing of an

application for a Sexual Entertainment Venue Licence is the same as that in relation to an application for a Sex Shop Licence; it was therefore suggested that the fee levels in relation to a Sexual Entertainment Venue Licence should mirror those in relation to Sex Shops, i.e.

New application: £2,260

Renewal: £1,130

In addition, it was suggested that the fee level in relation to a transfer application should be set as £500.

10.9.4 A number of consultation responses suggest that the Council should charge fees at the following levels: new application £8,000, renewal £5,000, transfer fee £1,100.

10.9.5 Members are asked to consider the level of fees in relation to new applications, renewals and transfers. In addition, it is noted that the legislation makes provision for a fee to be charged in relation to variation applications.

10.10 Delegations

10.10.1 The existing licensing delegations within the Council's Constitution make provision for applications in relation to sex shops and sex cinemas to be dealt with by the Licensing Committee, subject to certain delegations to the Head of Safer and Stronger Communities. The detail of the existing delegations is set out within paragraphs 1A and 2A of Appendix E.

10.10.2 If the Committee resolves to recommend adoption, it is suggested that it will be necessary to amend the delegations to ensure that they include the power to deal with applications for sexual entertainment venues. The proposed delegations at paragraphs 1B and 2B of Appendix E suggest an amendment to refer to 'sex establishments' (thereby including sexual entertainment venues).

10.11 Policy in relation to sex shops and sex cinemas

10.11.1 As is set out above 'sex establishments' for the purposes of Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 include sex shops, sex cinemas and sexual entertainment venues. The policy before the Committee today, relates solely to sexual entertainment venues. The Council does not currently have a policy in relation to the licensing of sex shops and sex cinemas (although standard conditions in relation to sex shops have been approved) and each application for such a licence is determined on its own merits.

10.11.2 A number of the consultation responses received suggest that the Council should develop a policy in relation to the licensing of sex shops and sex cinemas. The Legal Team Leader (Regulatory) recognises the benefits of adopting a policy in relation to such licences and proposes that a further piece of work in relation to this policy is undertaken in due course.

12.0 **Overview of Year One and Term One Issues**

12.1 None

13.0 Access to Information

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

Name: Mrs K Khan
Designation: Solicitor, Legal Services
Tel No: 01270 685847
Email: kate.khan@cheshireeast.gov.uk

Background papers:

Home Office Guidance – Sexual Entertainment Venues, Guidance for England and Wales
The European Services Directive: Guidance for Local Authorities
LACORS Guidance on the impact of the Service Directive on council's setting and administering local licence fees within the service sector.

Appendix A - Draft Policy
Appendix B - Table of representations
Appendix C – Representation from HOPE in North East Cheshire
Appendix D – Extract from Guidance (re fees)
Appendix E - Delegations

This page is intentionally left blank