

# Cabinet Agenda

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**Date:** Tuesday, 12th November, 2013  
**Time:** 2.00 pm  
**Venue:** Committee Suite 1, 2 & 3, Westfields, Middlewich Road,  
Sandbach CW11 1HZ

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

## **PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT**

1. **Apologies for Absence**
2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any disclosable pecuniary and non-pecuniary interests in any item on the agenda.

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

In accordance with Procedure Rules Nos.11 and 35 a period of 10 minutes is allocated for members of the public to address the meeting on any matter relevant to the work of the meeting. Individual members of the public may speak for up to 5 minutes but the Chairman or person presiding 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 are not required to give notice to use this facility. However, as a matter of courtesy, a period of 24 hours' notice is encouraged.

Members of the public wishing to ask a question at the meeting should provide at least three clear working days' notice in writing and should include the question with that notice. This will enable an informed answer to be given.

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#### 4. **Questions to Cabinet Members**

A period of 20 minutes is allocated for questions to be put to Cabinet Members by members of the Council. Notice of questions need not be given in advance of the meeting. Questions must relate to the powers, duties or responsibilities of the Cabinet. Questions put to Cabinet Members must relate to their portfolio responsibilities.

The Leader will determine how Cabinet question time should be allocated where there are a number of Members wishing to ask questions. Where a question relates to a matter which appears on the agenda, the Leader may allow the question to be asked at the beginning of consideration of that item.

#### 5. **Minutes of Previous Meeting** (Pages 1 - 14)

To approve the minutes of the meeting held on 15<sup>th</sup> October 2013.

#### 6. **Revised Statement of Licensing Policy** (Pages 15 - 60)

To consider the final draft of the Revised Statement of Licensing Policy which is being recommended to Council by the Licensing Committee.

#### 7. **Rural Proofing and Creating Resilient Rural Communities** (Pages 61 - 72)

To consider a report which sets out proposals to implement Rural Proofing, and which seeks approval to develop a Rural Statement and regular Rural Summits.

#### 8. **Handyperson and Minor Adaptations Service (Forward Plan Ref. CE 13/14-34)** (Pages 73 - 78)

To consider a report seeking approval to conduct a procurement exercise to tender for a handyperson and minor adaptations service.

#### 9. **Helping Vulnerable People to Stay Independent Using Assistive Technology (Forward Plan Ref. CE 13/14-55)** (Pages 79 - 84)

To consider a report seeking approval for a continued and increasing Council spend on assistive technology equipment and services with the aim of enabling people to remain in their own homes and remain as active and independent as possible.

#### 10. **Strategic Infrastructure - Poynton Relief Road (Forward Plan Ref. CE 13/14-51)** (Pages 85 - 104)

To consider a number of key tasks to be progressed in connection with the proposed Poynton Relief Road.

#### 11. **Disposal of Land at Remenham, Chapel Lane, Wilmslow (Forward Plan Ref. CE 13/14-59)** (Pages 105 - 110)

To consider a report seeking approval for the disposal of the Remenham site in Wilmslow to generate a capital receipt and for housing supply, led by Engine of the North.

12. **Re-Procurement of Office Supplies (Paper, Stationery and Print Consumables) (Forward Plan Ref. CE 13/14-60) (Pages 111 - 116)**

To consider proposals for the procurement of office supplies.

13. **2013/2014 Mid-Year Review of Performance (Pages 117 - 174)**

To consider a report which gives summary and detailed information about the Council's financial and non-financial performance at the mid-year stage of 2013/2014.

**THERE ARE NO PART 2 ITEMS**

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**CHESHIRE EAST COUNCIL**

Minutes of a meeting of the **Cabinet**  
held on Tuesday, 15th October, 2013 at The Assembly Room - Town Hall,  
Macclesfield SK10 1EA

**PRESENT**

Councillor M Jones (Chairman)  
Councillor D Brown (Vice-Chairman)

Councillors Rachel Bailey, J Clowes, J P Findlow, L Gilbert, B Moran,  
P Raynes, D Stockton and D Topping

**Members in Attendance**

Councillors Rhoda Bailey, L Brown, K Edwards, S Gardiner, P Groves,  
J Hammond, A Harewood, P Hoyland, J Jackson, B Livesley, D Marren,  
P Mason, R Menlove, A Moran, B Murphy, D Neilson, D Newton, A Thwaite,  
R West

**Officers in Attendance**

Mike Suarez, Peter Bates, Suki Binjal, Heather Grimbaldeston, Caroline  
Simpson, Sarah Smith and Paul Mountford

**Apologies**

Councillor Gail Wait

**69 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**70 PUBLIC SPEAKING TIME/OPEN SESSION**

There were no members of the public wishing to speak.

**71 QUESTIONS TO CABINET MEMBERS**

Councillor K Edwards asked what had been done to address criticisms of the Council by an Ofsted report into the care of children. The Leader responded that the Council had accepted the criticisms and was taken positive steps to address any weaknesses in procedures. The Children and Family Services Portfolio Holder added that the Council was working closely with its partners to address any issues and would be circulating a newsletter detailing how it had responded to the Ofsted report.

Councillor K Edwards referred to a recent case involving a family and their cared for son in which the Council had not acted on the instructions of Local Government Ombudsman. He asked what would be done to prevent a recurrence of this. The Leader responded that this related to a failure of

mediation involving the individual concerned and his family but had no direct implications for the individual's care.

Councillor K Edwards asked the Finance Portfolio Holder if he would meet him to discuss the method by which the Council disposed of the Friar's Hill Children's Home. The Finance Portfolio Holder agreed to discuss the matter with Councillor Edwards.

Councillor A Moran asked when would members know who would be the directors of the new arms-length companies, what scrutiny arrangements would be put in place to monitor the performance of the companies and why streetscape had been included in the Environmental Services delivery model and not offered to town councils as a devolved function. The Leader responded that the Council was in the process of identifying directors for the companies, that the new companies would be placed under strong scrutiny, with a range of proposals coming forward, and that he was not convinced that the devolution of streetscape services to town councils could be achieved at no cost to Cheshire East Council. The Environmental Services Portfolio Holder added that the original intention had been to hand over streetscape services to Ringway Jacobs but that following meetings with the staff and unions he was convinced that a better service would be provided if the service were retained in-house.

Councillor J Jackson referred to the future purchase of domiciliary care services and asked if the Council intended to enter into agreements with providers who operated zero hours contracts or provided care in as little as 15 minute slots. The Leader responded that the Council would not support 15 minute slots but that zero hours contracts were often the choice of the individual although the Council would not impose such contracts. The Health and Adult Care Portfolio Holder added that the new framework would enable the Council to ensure that quality care was provided efficiently.

Councillor W Livesley asked if the Council would be working closely with Macclesfield Town Football Club now that it had become a Community Interest Club. The Leader responded that he commended the Club for what it was doing and looked forward to continuing to work with the Club in the future.

## **72 MINUTES OF PREVIOUS MEETING**

### **RESOLVED**

That the minutes of the meeting held on 17<sup>th</sup> September 2013 be approved as a correct record.

**73 CARE LEAVERS: RESPONSE TO CHILDREN AND FAMILIES TASK AND FINISH GROUP REPORT**

Cabinet considered the final report of the Children and Families Policy Development Group which was invited to review the Children and Families Scrutiny Task and Finish Group's report on Care Leavers.

The Task and Finish Group had reviewed the 16 plus service for cared for children with the aim of identifying ways to improve the outcomes of some of the Borough's most vulnerable young adults.

Councillor P Hoyland, Chairman of the Policy Development Group, and Councillor D Neilson, Chairman of the Task and Finish Group, and Councillor Rachel Bailey, Portfolio Holder for Children and Family Services, spoke in support of the findings and recommendations of the Groups as set out in the report.

**RESOLVED**

That

1. the report of the Policy Development Group be noted;
2. the findings and recommendations set out in the report be endorsed; and
3. the Director of Children's Services be asked to consider the next steps and advise on what work should now be undertaken by officers to develop the recommendations further.

**74 NATIONAL HOUSING FEDERATION CAMPAIGN BACKED BY CENTRAL GOVERNMENT**

Cabinet considered a report on the National Housing Federation's 'Yes to Homes' campaign.

The 'Yes to Homes' campaign aimed to promote consultation and engagement with local communities in order to develop the right homes, in the right places, at the right price in accordance with local need. As such, the campaign was deemed to align with the Council's commitments to housing and economic growth.

The report sought to formalise the Council's support for the campaign.

**RESOLVED**

That

1. the report be noted; and

2. in line with the objectives outlined in the report, the Council formalises its support for the 'Yes to Homes' campaign, which promotes the engagement of the local populace in the development of the right homes, in the right places, at the right price.

**75 A6 TO MANCHESTER AIRPORT RELIEF ROAD - PLANNING SUBMISSION AND OUTCOME OF PUBLIC CONSULTATION PROCESS (FORWARD PLAN REF: 13/14-56)**

Cabinet considered a report seeking authority to submit a planning application for the A6 to Manchester Airport Relief Road and to progress the necessary legal agreements.

The scheme was being jointly promoted by Stockport Metropolitan Borough Council Cheshire East Council and Manchester City Council and all three authorities would need to consider the planning application when submitted.

Appendix B to the report outlined the results of the second phase of SEMMMS consultation undertaken in June/July as part of the development of a preferred option for the scheme. The key phase two consultation results relating to Cheshire East residents were highlighted in the main report.

**RESOLVED**

That

1. approval be given for the A6 to Manchester Airport Relief Road planning application to be submitted to the Council Strategic Planning Board based on the scheme plan in Appendix A;
2. delegated authority be granted to the Director of Economic Growth and Prosperity in consultation with the Portfolio Holder to authorise the Section 8 Agreement with Stockport MBC required to develop and deliver the road;
3. the Monitoring Officer/Head of Legal Services be instructed to negotiate and enter into a legal agreement between the Council and Greater Manchester Combined Authority regarding the circa £4.75m funding package inclusive of Cheshire East Council £1m match funds towards highway improvements in the Borough, in particular the Poynton Relief Road;
4. the summary report (Appendix B) outlining the results of the second phase of consultation undertaken in June and July and the approach taken by the SEMMMS project team in responding to the consultation be noted;

5. it be noted that there are some outstanding issues around traffic mitigation measures for the A6 corridor which are being considered by officers in consultation with the Portfolio Holder, and are close to being resolved;
6. the detailed draft plans for sections along the proposed A6 to Manchester Airport Relief Road within the Cheshire East boundary as attached as Appendix C be noted; and
7. local ward members be consulted and involved as appropriate.

**76 STRATEGIC INFRASTRUCTURE - DELIVERY OF LOCAL PINCH POINT FUNDED SCHEMES (FORWARD PLAN REF: 13/14-36)**

Cabinet considered a report on the Council's success in securing Pinch Point funding from the Department for Transport to deliver vital highway infrastructure improvements across the Borough. The report sought approval to proceed with the development and delivery of the following schemes:

- Basford West Spine Road
- A500 Widening approaching M6 Junction 16
- M6 Junction 16 Junction Improvement
- M6 Junction 17 Junction Improvement

This equated to around £25 million of roads investment.

The delivery of the schemes would support the Council's key objective of infrastructure delivery to support economic growth. A condition of the funding was that the schemes were delivered by the end of March 2015.

**RESOLVED**

That

1. the use of the Pinch Point funding to develop and deliver the Basford West Spine Road and A500 widening be approved;
2. the layout designs for each Pinch Point scheme shown in Appendix A to the report be approved; and
3. delegated authority be granted to the Director of Growth and Prosperity in consultation with the Portfolio Holder to:
  - enter into the necessary highways legal agreements to enable the Highways Agency to deliver those schemes that interact with the Strategic Road Network, namely M6 Junction 17 and M6 Junction 16 and the A500 widening.
  - enter into the necessary highways legal agreements with the developer of Basford West to enable them to deliver the Basford West Spine Road.

- sign off funding for the completed works using the approved capital allocations from the DfT Pinch Point grants, any third party contributions, and the Council's Corporate Capital Programme.
- approve minor amendments to the current scheme designs.

**77 STRATEGIC INFRASTRUCTURE - DEVELOPMENT OF CHESHIRE AND WARRINGTON LOCAL TRANSPORT BODY SCHEMES (FORWARD PLAN REF: 13/14-35)**

Cabinet considered a report highlighting the Council's success in securing funding to deliver schemes prioritised by the Cheshire and Warrington Local Transport Body.

The CWLTB "development pool" contained the following Cheshire East schemes following the prioritisation process undertaken earlier this year:

- A500 Barthomley Link
- Congleton Link Road
- Crewe Northern Growth Corridor – A530 to Crewe Green Roundabout
- Macclesfield Pinch Points Package
- Middlewich Eastern Bypass
- Poynton Relief Road (remaining funding) and A523 Corridor

Further details relating to the schemes were set out in the report.

**RESOLVED**

That Cabinet

1. notes the CWLTB "development pool" schemes in Cheshire East and the work required to support future funding bids, including for the sub-regional Growth Deal through the Government's recently announced Single Local Growth Fund.
2. notes the progress already being made on the development of Congleton Link Road, Poynton Relief Road and Middlewich Eastern Bypass, all of which are subject to other Cabinet Reports and are in the "development pool".
3. approves the work required for the development and delivery of the new Sydney Road Railway Bridge scheme, as set out in section 10.6 of the report.

**78 DEVOLUTION OF BUS SERVICE OPERATOR GRANT (BSOG) FOR COUNCIL SUPPORTED BUS SERVICES (FORWARD PLAN REF: 13/14-46)**

Cabinet considered a report on the payment of Bus Service Operator Grant following the Department for Transport's decision to devolve payment of the grant for Council supported bus services to Transport Authorities with effect from 1<sup>st</sup> January 2014.

This change, initiated by the DfT to give more local control over public transport funding, was welcomed by Cheshire East Council. It was likely that, over time, this would allow for greater investment in rural bus services as it would give the Council control over a greater pool of funding.

This report sought Cabinet agreement to increase contract payments to allow for distribution of the funding previously undertaken by DfT along the lines included in their guidance.

## **RESOLVED**

That

1. the report be noted;
2. the revision of contract payments to operators of current Council supported local bus services to reflect the change in the BSOG payment mechanism be approved; and
3. it be noted that a fully funded Supplementary Revenue Estimate will be approved in accordance with Finance Procedure Rule A.36, once the grant allocation from Government is known.

### **79 SUPPORTING COMMUNITY TRANSPORT & ACCESSIBILITY INITIATIVES - GRANTS & VEHICLE DONATION (FORWARD PLAN REF: 13/14-45)**

Cabinet considered a report seeking approval of three complementary policies to allocate resources to communities in Cheshire East to support transport and accessibility initiatives:

- Policy for the Allocation of Transport & Accessibility Grants: aimed to allocate funding to local community and voluntary groups to support community-led transport and accessibility initiatives tailored to local needs (see Appendix 1 to the report).
- Policy for the Allocation of Surplus Council Vehicles: aimed to gift vehicles which are no longer required by the Cheshire East Transport Service to community and voluntary groups to establish community bus schemes which improve access to key services (see Appendix 2).
- Policy for the Allocation of Local Sustainable Transport Fund (LSTF) Business Travel Planning Grants: aimed to utilise a proportion of the Department for Transport (DfT) funding to award grants to the business community in Crewe on a match fund basis as part of the LSTF programme (see Appendix 3).

**RESOLVED**

That

1. the "Policy for the Allocation of Transport & Accessibility Grants" be approved and authority for decision making on the award of grants be delegated to the relevant Portfolio Holder with responsibility for transport;
2. the allocation of £250,000 in 2013/14 for transport and accessibility grants be confirmed in line with the policy referred to above;
3. the "Policy for Allocating Surplus Council Vehicles" be approved and authority for the decision making on the allocation of vehicles be delegated to the relevant Portfolio Holder with responsibility for transport;
4. the "Policy for the Allocation of Local Sustainable Transport Fund (LSTF) Business Travel Planning Grants" be approved and authority for decision making on the award of grants be delegated to the relevant Portfolio Holder with responsibility for transport; and
5. the officers be authorised to take all necessary actions to implement the decisions above and establish each of the schemes in line with the associated policy.

**80 MAJOR CHANGE PROJECT 6.4 - ENVIRONMENTAL OPERATIONS CHANGE PROGRAMME (PREVIOUSLY KNOWN AS "DETERMINE FUTURE DELIVERY MODEL FOR WASTE MANAGEMENT SERVICES") (FORWARD PLAN REF: 13/14-48)**

Cabinet considered a report on the work that had been carried out to further define and scope out the overall Environmental Operations Change Programme and the five major project strands within it.

The transformation team had further defined the cost of investment and capital investment required to deliver the overall programme and the projects within it, these being:

- A. Existing Service Efficiency Review
- B. Future Service Delivery Model
- C. Review of Depot Infrastructure
- D. Interim Residual Waste Solutions & Longer Term Procurement
- E. Strategy (which is being governed through the Policy Development Group (PDG) process and is likely to form a separate paper at a future date)

Significant progress had been made to move the transformation programme forward. A wholly-owned company had now been registered which would help to facilitate culture change, improving responsiveness

and enabling a stronger focus on delivering targeted services to Cheshire East residents.

An amendment to the report was circulated at the meeting which set out the background to the inclusion of Fleet and Streetscape Services within the scope of activities of the wholly-owned company.

The report tracked progress against the various project streams and clarified the scope of the proposed alternative delivery vehicle.

## **RESOLVED**

That Cabinet

Programme and Project Cost of Investment

1. approves that the revenue cost of investment needed to support programme delivery this year is available from existing approved transformation budgets;

Future Service Delivery Model

2. notes and approves the findings of the options appraisal submitted to Cabinet in June 2013 and subsequent legal advice that has concluded that the most appropriate delivery model is that of a Teckal exempt, wholly-owned company limited by shares;
3. approves the defined scope which previously focused on the Waste delivery model to include:
  - Waste and Recycling Management Service
  - Fleet Management Service
  - Streetscape Service (mechanical sweepers, grounds maintenance and street cleansing)
4. agrees that the wholly-owned company formed in June 2013 includes the defined scope and the transfer of the Waste and Recycling Management Service, the Fleet Service and the Streetscape Service with an effective operational target date of January 2014 subject to internal and external dependencies.

Depot infrastructure

5. notes and approves that
  - further to the June 2013 Cabinet Report, depot infrastructure work is progressing;
  - feasibility work is ongoing with a detailed scope of improvements developed for Pym's Lane that include improvements to the transfer tip along with improved welfare facilities; and
  - the Northern depot solution is still being developed

Replacement of Fleet

6. approves the procurement of a rolling fleet replacement programme to commence in 2014/15 which will be financed through existing revenue provision; and
7. grants delegated authority to the Head of Environmental Protection and Enhancement (SRO for the Programme), the Monitoring Officer and the Section 151 Officer to commence the detailed implementation of the Environmental Operations Change Programme, including the wholly-owned company and other project strands, in consultation with the Portfolio Holder for Environment.

**81 FUTURE DELIVERY MODEL FOR BEREAVEMENT SERVICES  
(FORWARD PLAN REF: 13/14-32)**

Cabinet considered a report seeking approval to progress with the registration of a wholly owned company limited by shares to act as the Council's agent in managing the provision of Bereavement Services.

The catalyst for change was driven by the need to invest in buildings and services and to improve the quality of the service for local residents. This would ensure that services remained sustainable and able to provide high quality services in a dignified and sensitive manner for local residents.

**RESOLVED**

That

1. the formation of a new wholly-owned company limited by shares, benefiting from the Teckal exemption principles as the future management model for delivery of Bereavement Services, be approved;
2. delegated authority be given to the Head of Environmental Protection and Enhancement, the Borough Solicitor and the Section 151 Officer (and officers that are devolved those powers) to commence the detailed implementation of the WOC, (including, but not limited to, identifying the optimum procurement route) in consultation with the Portfolio Holder for Environment and subject to the corporate project quality assurance process governed by the Executive Monitoring Board (EMB) to ensure that the project is reviewed prior to any future implementation; and
3. following the outcome of the actions contained within 2 above, Cabinet be asked to agree to the establishment of a Board of Directors for the company and the Portfolio Holder for Environment work with the Leader of the Council and Chief Executive to define the appointments of the non- Executive Directors, nominating three Board Members to

act as the Chairman, Vice-Chairman and Director on the new Company Board of Directors.

**82 DOMICILIARY CARE FRAMEWORK (FORWARD PLAN REF: 13/14-19)**

Cabinet considered a report seeking approval for the establishment of a framework agreement through which to purchase future domiciliary care services.

Domiciliary Care was the range of care and support services provided in people's own homes to enable them to remain independent. These services ranged from a short call to assist with medication up to 24 hour live-in care. In response to customer preference and demand the Council was committed to developing this type of care provision as an alternative to residential-based care services.

**RESOLVED**

That

1. the establishment of a framework agreement through which future domiciliary care services will be purchased be approved;
2. all current Personal Support Contracts be transferred to the new framework agreement; and
3. authority be delegated to the Director of Adult Social Care and Independent Living to approve the providers admitted to the framework agreement, following a legally compliant procurement exercise, and subsequently to enter into agreements with providers.

**83 UNIVERSAL INFORMATION AND ADVICE SERVICES (FORWARD PLAN REF: 13/14-25)**

Cabinet considered a report recommending that the Council continue to Grant Aid Cheshire East Citizens' Advice Bureau and Cheshire East Citizens' Advice Bureau North for the provision of universal information and advice services across Cheshire East without competition for a period of 12 months from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015.

Prevention and Early Intervention Services were now due to be retendered for a three year period from 1 April 2014 – 31 March 2017. The Welfare Reform Act 2012 would not be fully implemented until April 2015. People on relevant existing benefits would move to Universal Credit when contacted by the Department for Work and Pensions or when there was a significant change in their circumstances. The impact of these changes therefore remained unknown and the Council's requirements for universal information and advice services could not be accurately specified to inform the current formal tendering process. It was therefore proposed that Grant Aid for Universal Information and Advice Services continue on a time

limited basis to address this specific set of circumstances and that the service be tendered when considered appropriate.

**RESOLVED**

That the Council continue to Grant Aid Cheshire East Citizens Advice Bureau and Cheshire East Citizens Advice Bureau North for the provision of universal information and advice services across Cheshire East without competition for a period of 12 months from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015.

**84 EXCLUSION OF THE PRESS AND PUBLIC**

Item 17 on the agenda invited Cabinet to consider whether the public and press should be excluded from the meeting for the consideration of the next following item of business on the grounds that the item contained exempt information of the type specified in paragraph 4 of Part 1 of Schedule 12A to the Local Government Act 1972.

However, the Chairman was of the view that while the item may contain exempt information, it was in the public interest for the item to be considered in open session with the public and press present.

**RESOLVED**

That the next following item of business be considered in open session and the public and press be allowed to remain present.

**85 TERMS OF VOLUNTARY REDUNDANCY AND VOLUNTARY EARLY RETIREMENT (FORWARD PLAN REF: 13/14-24)**

Cabinet considered a report on the terms that the Council offered to employees volunteering for redundancy or early retirement.

The terms that the Council offered to employees volunteering for redundancy/ early retirement were reviewed regularly to ensure that they provided value for money in enabling the Council to reduce its workforce in a way that was efficient, cost-effective and conducive to a positive employee relations climate. The last review took place in August 2012 and Cabinet was now asked to consider retaining the existing terms for a further period.

**RESOLVED**

That the existing terms offered to employees volunteering for redundancy or early retirement be retained for now and a further review be carried out in May 2014.

The meeting commenced at 2.00 pm and concluded at 4.25 pm

M Jones (Chairman)

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## CHESHIRE EAST COUNCIL

### Cabinet

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<b>Date of Meeting:</b>	12 <sup>th</sup> November 2013
<b>Report of:</b>	Miss Kim Evans – Licensing Team Leader
<b>Subject/Title:</b>	Revised Statement of Licensing Policy
<b>Portfolio Holder:</b>	Cllr Les Gilbert, Communities and Regulatory Services

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#### **1.0 Report Summary**

- 1.1 The Licensing Act 2003 requires that Licensing Authorities prepare and publish a statement of policy that they propose to apply when exercising their functions under the Act during the five year period to which the Statement applies.
- 1.2 The Council is required to review its existing statement of principles and publish the revised version by no later than 31<sup>st</sup> January 2014. In preparing a revised statement the Council must undertake a consultation exercise with those stakeholders identified by the legislation.

#### **2.0 Recommendations**

- 2.1 That Cabinet support the recommendation of the Licensing Committee that the Council resolves to adopt the revised Statement of Licensing Policy (Appendix 1) to take effect on 1<sup>st</sup> February 2014.

#### **3.0 Reasons for Recommendations**

- 3.1 To comply with the provisions of the Licensing Act 2003 and to enable the proper discharge of the Council's responsibilities for the regulation of alcohol sales, regulated entertainment and late night refreshment.

#### **4.0 Wards Affected**

- 4.1 All

#### **5.0 Local Ward Members**

- 5.1 All

#### **6.0 Policy Implications**

- 6.1 None identified

## **7.0 Financial Implications**

7.1 None identified

## **8.0 Legal Implications**

8.1 In accordance with Section 4 of the Licensing Act 2003 (the Act) the Licensing Authority must discharge its functions with a view to promoting the four Licensing Objectives:

- The prevention of crime and disorder
- Public Safety
- The prevention of public nuisance
- The protection of children from harm

8.2 Section 5 of the Act 2003 the Licensing Authority is required to determine and publish a Statement of Licensing Policy 'with respect to the exercise of its licensing functions'.

8.3 The statement of policy forms part of the Council's Policy Framework. As such, the final decision to approve a statement of policy or a revision of the statement rests with full Council. In addition, in developing a revised statement of policy, the authority must comply with its Budget and Policy Framework Procedure Rules (as set out within the Constitution).

8.4 The case of *R (on the application of The British Beer and Pub Association) v Canterbury City Council [2005] EWHC 1318 (Admin)* is the only case that has specifically considered the role of the Statement of Licensing Policy and its content. This case confirms:

- The Policy must set out how the Licensing Authority will approach the making of decisions under the Act
- Applicants should be aware of the expectations of the Licensing Authority, but the content of an application is a matter for the applicant
- A Policy must not mislead an applicant into believing that s/he must meet requirements that are not relevant and must not suggest requirements that cannot lawfully be imposed
- The Policy must also be read as a whole and can be rendered wholly unlawful if parts are considered unlawful

8.5 In order to comply with statutory requirements, the following agencies must be consulted:

- Cheshire Constabulary
- North West Fire and Rescue Service
- Representatives of the local licensing trade
- Representatives of local businesses and residents

- 8.6 Statutory Guidance has been issued by the Home Office under Section 182 of the Licensing Act 2003. This Guidance must be taken into account by Licensing Authorities when formulating policy and making decisions. This is updated regularly and was last updated in June 2013. The Home Office has also issued non-statutory guidance “for Health Bodies on exercising new functions under the Licensing Act 2003” in May 2012. This is aimed at Health Bodies as Responsible Authorities. Care must be taken by a Licensing Authority if considering this Guidance since the promotion of the four licensing objectives is the Licensing Authority’s key responsibility.

## **9.0 Risk Management**

- 9.1 Should the Council not adopt a reviewed Statement of Licensing Policy within the required timeframe, all decisions made may be open to challenge.

## **10.0 Background and Options**

- 10.1 The first Statement of Licensing Policy approved by this Council came into effect in January 2009.
- 10.2 When exercising the functions of the Licensing Act 2003 the Licensing Authority must promote the statutory licensing objectives as stated in paragraph 8.1.
- 10.3 The Statement of Licensing Policy establishes a local framework for decision-making when considering applications for relevant permissions, or variations to existing terms and conditions. The Policy is of significant importance as the Licensing Committee and Sub-Committee are required to have due regard to it when determining an opposed application. It is therefore paramount that the policy sets out how the objectives will be promoted. Any matters not relevant to the promotion of the Licensing Objectives must be disregarded.
- 10.4 In addition to having regard to the Statement of Licensing Policy, the Licensing Authority must also have regard to the statutory guidance issued by the Home Office under section 182 of the Licensing Act 2003.
- 10.5 In accordance with the statutory timescales the revised policy must be in place to take effect from January 2014. When the Statement of Licensing Policy has been confirmed and published, subject to any further reviews and necessary consultation, it shall remain in force for a further period of five years (i.e. to January 2019).
- 10.6 The following timescales was applied to allow for the proper consideration of the draft statement of policy:

- Draft revised Statement approved for 6 week consultation period by relevant Cabinet Member – 15<sup>th</sup> July 2013
- Licensing Committee – 16<sup>th</sup> July 2013
- Corporate Scrutiny – 10<sup>th</sup> September 2013
- **End of Consultation – 16<sup>th</sup> September 2013**
- Licensing Committee – 30<sup>th</sup> September 2013 & 11<sup>th</sup> October 2013 to consider the consultation responses
- Confirmed by Cabinet – 12<sup>th</sup> November 2013
- To be adopted by Council – 12<sup>th</sup> December 2013
- Publication of Policy in January 2014
- Policy effective from January 2014

10.7 Members should note that the consultation period commenced following a decision of the Communities and Regulatory Services Portfolio Holder on the 15<sup>th</sup> July 2013.

10.8 The content of the Policy was also considered by the Members of the Licensing Committee on the 16<sup>th</sup> July 2013 with no changes proposed.

10.9 The consultation took place between 5<sup>th</sup> August 2013 and 16<sup>th</sup> September 2013 took the following form:

1. Letters were sent to all Premises Licence Holders and Club Premises Certificate Holders.
2. Letters were sent to all Personal Licence Holders who are Designated Premises Supervisors in the Borough.
3. All Responsible Authorities were contacted by email.
4. All Town and Parish Councils were contacted through the Council's Partnership Team. The Policy was also made available on the Partnerships Team's Sharepoint site.
5. All Borough Members were contacted by email.
6. The draft revision was available on the Council's website for public comment during the consultation period.
7. The Local Safe Guarding Adults Board was also contacted.
8. The Chambers of Commerce were contacted together with various national trade organisations.

10.10 The draft Policy was also considered by the Council's Corporate Scrutiny Committee on the 10<sup>th</sup> September 2013 who confirmed their approval of the draft Policy.

10.11 On the 30<sup>th</sup> September 2013 and the 11<sup>th</sup> October 2013 the Licensing Committee considered the responses received during the consultation

process. The Committee fully considered all of the responses received and gave appropriate weight to the proposal or points made. Any matters that could not have been taken into consideration, due to the legal framework that needs to be applied, were disregarded.

10.12 The final draft of the Revised Statement of Licensing Policy attached at Appendix 1 represents the final recommendation by the Licensing Committee.

#### **11.0 Access to Information**

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

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**CHESHIRE EAST COUNCIL**  
**STATEMENT OF LICENSING POLICY**  
**(LICENSING ACT 2003)**  
**POLICY DATED JANUARY 2014 TO JANUARY 2019**

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## 1. Introduction

- 1.1 Cheshire East Council (**the Council**) is the Licensing Authority for the area of Cheshire East under the provisions of the Licensing Act 2003 (**the Act**).
- 1.2 The Council's current Statement of Licensing Policy was published on 24<sup>th</sup> February 2009. A review of that policy is due by January 2014. This Statement of Licensing Policy (**the Policy**) is the result of the review and is published by the Council in accordance with section 5 of the Act. The Policy provides information and guidance to applicants and persons who are likely to be affected by an application (e.g residents and businesses) and Responsible Authorities or anyone interested in these matters. It will clarify the manner in which the Council will approach matters relating to licensing. Whilst the policy provides framework guidance regarding the considerations it will take into account when determining any licence application, the Council, as the Licensing Authority, will ultimately determine each individual application on its own merits.
- 1.3 Cheshire East's mission is for 'Cheshire East to be a great place to live, work, visit and enjoy'. The mission statement complements the aims of this Policy. There are a number of Corporate Objectives some of which link with this Policy. They include:
  - Cheshire East has a strong and resilient economy
  - People live well and for longer
- 1.4 The context of the Policy includes the Council's statutory responsibility under the Health and Social Care Act 2012 for the health of the population of Cheshire East and it is noted that it is a priority of the local Health and Wellbeing Board to reduce alcohol related harm.
- 1.5 The context of the Policy includes the Council's statutory duty under the Crime and Disorder Act 1998 to have regard to the need to do all that it reasonably can to prevent crime and disorder, misuse of drugs and alcohol and reoffending in its area.
- 1.6 The Policy takes into account the guidance issued under section 182 of the Act. The latest guidance was published by the Home Office in June 2013. A copy of the guidance may be accessed via the Home Office website [www.homeoffice.gov.uk](http://www.homeoffice.gov.uk)
- 1.7 In accordance with section 4 of the Act, the Licensing Authority shall have regard to the Policy in the exercise of its functions in respect of Licensable Activities and qualifying Licensable Activities in accordance with Section 1

and Schedules 1 and 2 of the Act. The following is a summary of what comprises Licensable Activities:

- The sale by retail of alcohol
- The supply of alcohol by or on behalf of a club to, or to the order of a member of the club
- The provision of regulated entertainment:
  - performance of a play
  - exhibition of a film
  - indoor sporting event
  - boxing or wrestling entertainment
  - performance of live music
  - playing of recorded music
  - performance of dance
  - entertainment of a similar description to the above

**There are certain exemptions to this definition, which relate to incidental live and recorded music, and spontaneous music, singing and dancing, which are set out in full in the Act.**

- The provision of late night refreshment (supply of hot food or drink from a premises between 23:00 and 05:00 hours)

1.8 In formulating the Policy, the Licensing Authority has consulted all Responsible Authorities, holders of licences under the Act and the public within Cheshire East.

1.9 This policy will be for a 5 year period and a review will take place in accordance with statutory procedures and will take into full account of any relevant information received by way of consultation or otherwise.

## **2. The Aim of the Policy and Statutory Licensing Objectives**

2.1 The aim of the Policy is to secure the safety and amenity of communities within the Cheshire East area, whilst facilitating a sustainable entertainment industry. The Council recognises the need of residents for a safe and desirable environment in which to work and live and the importance of well-run licensed premises in a vibrant and diverse local economy. The Council will

promote the safety of residents and visitors whilst out at night and on their journey home.

- 2.2 In accordance with the guidance issued by the Secretary of State, the Council recognises the need to encourage and promote a broad range of entertainment, particularly live music, dancing and theatre for the wider cultural benefits of our communities. A natural concern to prevent disturbance in the neighbourhood will always be balanced with the wider cultural benefits of our communities
- 2.4 The Council has a duty to protect the amenity of its residents. This extends to the business community, who can expect the Council to ensure that the environment is attractive and sustainable for the conduct of their business.
- 2.5 It is the Council's duty to exercise its licensing functions with a view to promoting the four Licensing Objectives set out in section 4 of the Act:
- **The prevention of crime and disorder**
  - **Public safety**
  - **The prevention of public nuisance**
  - **The protection of children from harm**
- 2.6 Each objective is of equal importance. There are no other statutory licensing objectives, so that the promotion of the four objectives is a paramount consideration at all times.
- 2.7 The legislation also supports a number of other key aims and purposes. These are vitally important and should be principal aims for everyone involved in licensing work. They include:
- protecting the public and local residents from crime, anti-social behaviour and noise nuisance caused by irresponsible licensed premises
  - giving the police and licensing authorities the powers they need to effectively manage and police the night-time economy and take action against those premises that are causing problems
  - recognising the important role which pubs and other licensed premises play in our local communities by minimising the regulatory burden on business, encouraging innovation and supporting responsible premises
  - providing a regulatory framework for alcohol which reflects the needs of local communities and empowers local authorities to make and enforce decisions about the most appropriate licensing strategies for their local area

- encouraging greater community involvement in licensing decisions and giving local residents the opportunity to have their say regarding licensing decisions that may affect them

2.8 The Licensing Authority will have proper regard to amongst other issues:

- Location and environmental impact of the proposed activity
- Suitability of the applicant
- Suitability of the premises to the application
- Operation and management of the premises
- Monitoring, review and enforcement

### **Policy Considerations**

2.9 This policy does not prejudice the requirement for the Licensing Authority to consider each application on its own merits.

2.10 Nothing in the policy will

- Undermine the rights of any individual to apply under the terms of the Act for a variety of permissions and have the application considered on its individual merits; or
- Override the right of a person or a body or a Responsible Authority (as defined in the Act) to make representations on an application or to seek a review of a licence or certificate in accordance with the provisions of the Act.

2.11 All persons have equal rights to make representations concerning applications for premises licenses (and hours of trading) and to receive appropriate consideration to their representations. Irrelevant, frivolous and vexatious representations will be disregarded.

2.12 The Licensing Authority has noted that the vicinity test in respect of relevant representations has been removed and consequently any person can now make a representation.

2.13 Following Relevant Representations the Licensing Authority will only depart from this Policy where there is satisfactory evidence/information that the Licensing Objectives will be met in full. In cases where a departure occurs, the Licensing Authority shall provide reasons for the departure.

- 2.14 If an application for a licence or certificate has been made lawfully and there have been no Relevant Representations from Responsible Authorities or other persons, the Licensing Authority will grant the application, subject only to conditions consistent with the operating schedule and any relevant mandatory conditions.
- 2.14 To achieve its aims the Council is committed to working in partnership with the Responsible Authorities, local businesses, residents and others towards ensuring the continued success of this Policy in achieving the statutory objectives of the Act. In considering these issues the Council will focus on the four statutory Licensing Objectives.

### **3. Matters within the Control of the Premises Licence Holder**

- 3.1 The Licensing Authority recognises that licensing law is not the primary mechanism for the general control of individuals once they are away from a licensed premises, and therefore away from the direct control of the premises licence holder. Accordingly, in exercising its licensing functions the Licensing Authority will focus on matters which are within the control of the individual licensee and others who are granted relevant permissions. Nevertheless licensees should take reasonable steps to prevent the occurrence of crime and disorder and public nuisance immediately outside their premises, e.g. on the pavement, in a beer garden or in a smoking shelter, where and to the extent these matters are within their control.
- 3.2 The Licensing Authority will expect applicants to consider and make appropriate provisions to ensure that harm is not caused to the Licensing Objectives as a result of activity in, or in the vicinity of, the licensed premises.
- 3.3 It will normally be the responsibility of the premises licence holder to ensure that the managers, designated premises supervisor and door supervisors are competent and appropriately trained.

### **4. Planning and need for Licensed Premises**

- 4.1 When exercising its licensing functions the Licensing Authority will not be influenced by questions of need. The issue of whether or not there is a need for a particular premises is a commercial matter, which is not relevant to the Licensing Authority's considerations.
- 4.2 The Planning Regulation and Licensing Regulation functions are separate statutory regimes. The Licensing Authority recognises that there should be a clear separation of the planning, building control and licensing regimes in order to avoid duplication. The Licensing Authority when exercising its licensing functions will not consider whether there has been any alleged

breach of planning conditions. Planning Permission will usually be required prior to the use of premises for Licensable Activities.

- 4.3 The Licensing Authority is not bound by decisions made by the Planning Authority and vice versa.
- 4.4 There may be circumstances when, as a condition of planning permission, a terminal hour has been set for the use of premises for commercial purposes. Where these hours are different to the licensed hours, the earlier closing time must be observed. Premises operating in breach of their planning permission would be liable to enforcement action under planning law.
- 4.5 It should be noted that Building Regulations govern a variety of issues, which directly contribute to the Licensing Objectives, including means of escape, structural integrity, accessibility and public safety. Building Regulation Approval and Completion Certificates may be required prior to the use of the premises for licensable activities.

## **5. Integrating Strategies**

- 5.1 The Licensing Authority will consider the Council's approved strategies and policies where they are relevant to the exercise of its function as the Licensing Authority.
- 5.2 The Council recognises that Licensed Premises are an important contributor to the local economy. Any licence application will be considered by taking certain factors into account. These include:
  - Employment opportunities
  - The enhancement the proposal might have on the attractiveness of the wider area
  - The general impact in attracting visitors to the area
- 5.3 In undertaking its statutory licensing function the Licensing Authority may have regard to:
  - Section 17 of the Crime and Disorder Act 1998 and requirement that the Council do all that it reasonably can to prevent crime and disorder in its locality
  - The European Convention on Human Rights (which is given effect by the Human Rights Act 1998), which places a duty on public authorities to protect the rights of individuals in a variety of circumstances
  - Any other relevant legislation drawn to its attention

5.4 The Licensing Authority will seek to discharge its responsibilities identified by other Government Strategies, so far as they impact on the objectives of the Licensing Act. Examples of these strategies are:

- In accordance with Guidance the Licensing Authority will seek to establish a Safe Scheme so that proper liaison and partnership working with all relevant stakeholders will ensure that appropriate Action Plans for Tackling Alcohol Related Crime, Disorder and Nuisance are in place
- Safer Clubbing
- Local Authorities Coordinators of Regulatory Services and Trading Standards Institute Code of Best Practice on Test Purchasing
- Alcohol Harm and Reduction Strategy
- Crime and Disorder Reduction Strategy
- Enforcement Concordat, under which the Council has developed an Enforcement Strategy

## **6. Anti-Social Behaviour**

6.1 The Licensing Authority recognises that in addition to the requirements for it to promote the Licensing Objectives, the Council has a duty under section 17 of the Crime and Disorder Act 1998 to do all it reasonably can to prevent crime and disorder within its area.

6.2 The objective of the licensing process is to allow the retail sale of alcohol and the provision of other Licensable Activities in a manner that ensures the public's safety and which is neither to the detriment of residents, nor gives rise to loss of amenity. It is the Licensing Authority's aim to facilitate well run and managed premises with premises licence holders displaying sensitivity to the impact of their premises on local residents.

6.3 In accordance with the Guidance, the Licensing Authority does not regard this policy as a mechanism for the general control of anti-social behaviour by individuals once they have left the immediate vicinity of the licensed premises.

6.4 Recurring problems of alcohol-related anti-social behaviour, crime and disorder or serious public nuisance can occur in an area, which are not directly attributable to specific premises. In such cases, particularly if supported by the Police, the Licensing Authority may consider whether an Early Morning Alcohol Restriction Order (EMROs) might address the problems. These Orders are considered later in this Policy.

## **7. Prevention of Crime and Disorder**

- 7.1 The Licensing Authority will have regard to the Crime and Disorder Act 1998 (See Section 6.1 above). Any conditions attached to the premises licence should reflect any local crime prevention strategy. Including, the Safer Cheshire East Partnership Plan or a subsequent replacement plan.
- 7.2 The Licensing Authority will consider whether the premises make or will make a detrimental contribution to levels of crime and disorder, and whether the Operating Schedule is based on an adequate risk assessment, undertaken by the applicant, of the likelihood of crime and disorder occurring as a result of the application.
- 7.3 In order to meet its duty to prevent and reduce crime this Policy will have regard to the likely impact of licensing on related crime and disorder in the area. The Licensing Authority will consider the location of the premises and the impact, operation and management of the Licensable Activities. In particular these issues may include:
- Whether the layout, lighting and fittings of the premises have been designed so as to minimise conflict and opportunities for crime and disorder
  - Whether the Operating Schedule includes appropriate management measures to prevent crime and disorder
  - Door supervision together with the maintenance of an incident book
  - Use of toughened glass or plastic glasses
  - Mechanisms for combating drug dealing and use
  - Use of CCTV cameras
  - Membership of any Pubwatch or similar scheme
  - Use of ID scan equipment
- 7.4 The Licensing Authority may impose conditions on licences or certificates. These may include the following conditions (although the list is not exhaustive). The decision to impose conditions and their extent will depend upon the risks of crime and disorder at the particular premises
- Appropriate ratio of tables to chairs to customers and for areas to be allocated for seated customers
  - A requirement for Security Industry Authority door supervisors to control numbers and to deny entry to individuals who appear drunk, disorderly or intent on crime

- A requirement that drinking vessels do not form a sharp edge when broken
- Restrictions on drinking in areas within and outside the premises
- Procedures for checking the ages of young people who appear under the age of 21 or 25 to ensure alcohol is not sold to those under 18 and that those under 16 are accompanied in alcohol-led premises
- Appropriate 'early warning' communication systems with the Police and with other licensed premises
- The installation of CCTV
- Clear policies and measures to prevent illegal drugs being brought onto and used on the premises
- Searching of customers and staff

7.5 The Licensing Authority will carefully consider Police representations and other conditions relating to the deterrence and prevention of crime and disorder and initiatives to reduce crime will be drawn up in liaison with the police to deal with particular premises or types of premises where concerns may arise.

### **Safer Clubbing**

7.6 The Licensing Authority wishes to promote the principles of 'Safer Clubbing'. The current Home Office Guidance on the subject is recommended to relevant Premises Licence and Club Premises Certificate holders. Following relevant representations appropriate licensing conditions may be imposed to control the environment at relevant premises in support of the 'Safer Clubbing' objectives.

### **Drugs**

7.7 Following Relevant Representations, conditions may need to be imposed for certain types of venues to seek to eliminate the sale and consumption of drugs and to create a safer environment for those who may have taken them. These conditions will take into account the above-mentioned 'Safer Clubbing' advice issued by the Home Office. In all cases where conditions are to be imposed advice will be sought from the Drug and Alcohol Action Team and the Police.

7.8 The Licensing Authority, Police and Licence Holders need to be aware that power is available under the Anti-Social Behaviour Act 2003 that allows for the closure of a licensed premises by the Police where there is production,

supply or use of Class A drugs and/or serious nuisance or crime and disorder. This provides an extra tool to the Police in enabling instant action with regards to premises where there is a Class A drug problem.

### **Door Supervisors**

7.9 Following Relevant Representations the Licensing Authority may consider that certain premises require supervision for the purpose of promoting the reduction of crime and disorder, and to generally provide a safer operation of the premises. In such cases licensed door supervisors (registered by the SIA) must be employed at the premises either at all times or at such times as certain licensable activities are taking place, at a number and ratio to be determined by the Licensing Authority. (This excludes stewards/glass collectors who are not involved in the security of the premises and do not therefore require registration with the SIA).

### **CCTV**

7.10 Licence holders may wish to install cameras for the protection of staff, customers and for the prevention of crime on or in the vicinity of the premises. In exercising its licensing functions, the Licensing Authority may for the purpose of promoting any of the Licensing Objectives, impose as a condition of the licence the installation of a CCTV system. It should be noted that in such cases the Licensing Authority may take into account the type and quality of recordings, the location of cameras, storage and the availability of recordings to the Licensing Authority and Police.

### **Cinema Exhibitions (see also under Protection of Children from Harm)**

7.11 No film shall be exhibited at a licensed premises which is likely to:

- Lead to disorder
- Incite hatred or violence towards any section of the public on grounds of colour, race or ethnic or national origin, disability, religious beliefs, sexual orientation or gender

## **8. Public Safety**

8.1 The Licensing Authority wishes to promote high standards of public safety in relation to premises and activities within the scope of the Act.

8.2 The Licensing Authority recognises that the Public Safety Objective is concerned with the physical safety of the customers using the relevant premises and not with Public Health, which is dealt with by other legislation.

- 8.3 Where the Local Authority Director of Public Health submits a relevant representation the relevant Licensing Objective is likely to be Public Safety. This may include where a premises has undermined the objectives in respect of accidents and injury and other harms that may be caused by alcohol consumption. These issues may also impact on the prevention of crime and disorder objective and/or the protection of children from harm objective.
- 8.4 Where activities are organised by volunteers or a committee of a club or a society the Licensing Authority considers it good practice that the same level of Health and Safety protection is provided as if an employer/employee relationship existed, irrespective of whether there are strict legal duties applicable under Health and Safety legislation.
- 8.5 Following Relevant Representations, where the Licensing Authority considers that general health and safety duties do not adequately cover certain Licensable Activities, conditions may need to be attached to the licence to ensure public safety.
- 8.6 Organisers of temporary/large scale events will be encouraged to seek advice and information from the Council's Event Safety Advisory Group prior to submitting any application.

### **Fire Safety**

- 8.7 The Licensing Authority will have due regard to the representations of Cheshire Fire and Rescue Service regarding licensing applications.
- 8.8 Following Relevant Representations, the Licensing Authority may impose appropriate conditions in relation to fire safety matters in consultation with Cheshire Fire and Rescue Service.
- 8.9 The Licensing Authority will only include an occupant capacity condition on a Premises Licence or a Club Premises Certificate where there is a genuine fear or a genuine problem with overcrowding and it is considered appropriate for public safety. This figure will be arrived at in consultation with Cheshire Fire and Rescue Service. If an occupant capacity is fixed in accordance with any risk assessment required by The Regulatory Reform (Fire Safety) Order 2005 that figure will be used.
- 8.10 Where the special provisions of Section 177 of the Act (dancing, amplified and unamplified music in premises with a capacity of no more than 200 persons) are utilised, the Licensing Authority reserves the right to confirm with Cheshire Fire and Rescue Service the safe capacity of the premises.

## **9. Prevention of Public Nuisance**

- 9.1 If Relevant Representations are received the Licensing Authority, when making an objective judgment about what constitutes a nuisance in respect of an application or review of a premises licence or certificate, will take a broad common law meaning when considering matters such as:
- Noise from premises
  - Waste
  - Litter
  - Car parking
  - Light pollution
  - Noxious odours
- 9.2 In considering the potential impact of licensed premises on the surrounding locality the Licensing Authority, when in receipt of any Relevant Representations will take into account the type of entertainment activity proposed hours of operation, the capacity of the premises, the character of the areas and the proximity to local residents. Consideration will be given to the potential steps which could be taken to reduce the risk of nuisance occurring. This will particularly apply in areas where there is residential accommodation in the proximity of the premises.

### **Noise and Vibration**

- 9.3 In order to enforce the provisions of the Environmental Protection Act 1990 (which relate to noise nuisance) the Police, Environmental Health Officers and Licensing Officers will liaise to ensure that adequate control measures are properly used to protect the local environment. Any action taken will be conducted in accordance with relevant enforcement policies
- 9.4 Consideration will be given to whether the operating schedule contains adequate measures to prevent noise and vibration, generated from within the premises, outside it, or from an open site, that may cause disturbance. Stricter conditions will be considered on premises in areas that have denser residential accommodation or have residential accommodation close to them. Noise includes music and human voices. Measures in the Operating Schedule may include installation of soundproofing, air conditioning, acoustic lobbies, sound limitation devices or locking doors at specified hours. If the proposed operating schedule fails to address noise nuisance issues, the Environmental Health Department may request that an independent acoustic report is conducted. Environmental Health may use any recommendations from such a

report to propose amendments to the Operating Schedule or suggest conditions for the consideration of any (Sub) Committee.

9.5 Applicants will be expected to have included measures in their Operating Schedules that make adequate provision to:

- Restrict the generation of any noise within the premises and from activities associated with the premises in the vicinity, or from an open air site
- Limit the escape of any noise from the premises or open air site
- Restrict any noise emissions to below levels that could affect people in the vicinity going about their business, at work and when at home both while relaxing and while sleeping
- Minimise and control any noise from customers arriving and departing from the premises

9.6 The Licensing Authority will not impose conditions on licensed premises that cannot be directly controlled, or on matters not related to the vicinity of the premises.

9.7 If it is considered that any noise emanating from within the curtilage of a licensed premises is causing a public nuisance, under the provisions of the Anti-Social Behaviour Act 2003, an Authorised Officer can require its immediate closure for a period of up to 24 hours. It should be noted that the 'test' is a lesser one than that required to determine a Statutory Noise Nuisance and the statutory defence of 'best practicable means' is not available.

### **Eating, Drinking and Smoking Outside Premises**

9.8 The Licensing Authority will take the following into consideration:

- Whether people standing or sitting outside are likely to cause obstruction or other nuisance
- Whether premises are under or near residential accommodation
- The hours of sale of alcohol in open containers or food for consumption outside the premises
- Measures to make sure that customers move away from outside premises when such sales cease
- Measures to collect drinking vessels and crockery, cutlery and litter

- The extent and location of areas proposed to be set aside for the consumption of food and alcoholic drink for smoking
- Whether there is a need for door supervisors to prevent or to control customers congregating in outdoor areas to smoke, consume food or drink (whether supplied by the premises or not), between certain hours or at all times.

### **Other Environmental Impacts**

9.9 Consideration will be given to whether Operating Schedules contain adequate measures to prevent:

- Litter, smells, fumes, dust, tobacco or other smoke, or other emissions
- Street fouling
- Light pollution
- Congestion of the pavement or roadway, impeding reasonable access arising from the proposed licensable activity that may cause nuisance to people in the vicinity.

9.10 If the sale of alcohol in open containers or food for consumption outside the premises has been proposed, the following considerations are relevant:

- Whether measures would be undertaken to prevent nuisance caused by the storage, handling and collection of refuse and recyclable materials
- Whether late night premises are likely to generate litter and whether the sale of take-away food is proposed and the measures planned to prevent littering in the vicinity and to clear up any litter that occurs
- The steps proposed to prevent queuing or, if some queuing is inevitable, to divert queues away from residential properties and entrances to neighbouring premises, and to manage the queue to prevent disturbance and obstruction
- The steps taken to prevent disturbance by patrons arriving at or leaving the premises
- The steps taken to ensure staff leave the premises quietly
- The arrangements made or proposed for parking by patrons and the effect of parking on local residents

- Whether taxis and private hire vehicles serving the premises are likely to disturb local residents
- Whether routes to and from the premises on foot or by car or service or delivery vehicles pass residential premises
- Whether other measures to prevent nuisance such as the use of CCTV or the employment of SIA registered door supervisors are necessary
- The measures proposed to prevent the consumption or supply of illegal drugs, including any search procedures
- The likelihood of any violence, public disorder or policing problem arising if a licence were to be granted
- If the applicant has previously held a licence within the Cheshire East area, the details of any enforcement action arising from that premises
- Whether the premises would result in increased refuse storage or disposal problems, or additional litter in the vicinity of the premises.

## **10. Protection of Children from Harm**

10.1 Protection of Children from harm includes the protection of children from moral, psychological and physical harm. This includes protection from premature exposure to strong language and sexual expletives. The Act does not prevent children having free access to premises selling alcohol for consumption on those premises, although the Licensing Authority when in receipt of Relevant Representations may impose conditions necessary for the prevention of harm to children. Where there are matters that give rise to serious concerns and the restriction of access may not ensure adequate protection of children from harm, children should be excluded. Examples of what may give rise to these concerns include:

- Where there have been convictions for serving alcohol to minors or where the premises has a reputation/evidence for underage drinking (to include any action undertaken regarding test purchases in relation to the supply of alcohol)
- There is a known association with drug taking or dealing
- There is a strong element of gambling on the premises
- Entertainment of an adult or sexual nature is provided

*Note: The Act makes it an offence to permit children under the age of 16 who are not accompanied by an adult to be present on premises used exclusively or primarily for the supply of alcohol for consumption on the premises.*

10.2 Matters which the Licensing Authority will take into consideration include:

- Whether there are effective measures to check the age of those young people who appear under 25, to ensure alcohol is not sold to those under 18 and those under 16 are accompanied in alcohol led premises
- Whether the supply of alcohol for consumption on the premises is the exclusive or primary purpose
- The hour to which accompanied children under 16 are proposed to be on the premises where the exclusive or primary purpose of the services provided at the premises is the supply of alcohol for consumption on the premises
- The likelihood of children being attracted to the premises e.g. by the nature of activities or facilities provided, whether or not these are licensed
- Whether there is evidence of heavy, binge or underage drinking on the premises

10.3 Where Relevant Representations have been received and it is considered necessary that the access of children should be restricted to protect them from harm then conditions may be attached to the licence. These may include:

- Limitation on the hours when children may be present
- Restrictions to the age of persons on a premises (e.g. to over 18's only)
- Restrictions on access to certain parts of the premises
- Limitations or exclusions when certain activities may take place
- Require an accompanying adult to be present at all times

10.4 Where large numbers of children are likely to be present on any licensed premises, for example, a children's show or pantomime, then the Licensing Authority may require the presence of an appropriate number of adult staff (who will have provided a satisfactory Disclosure and Barring Service check) to ensure their safety and protection from harm. The exact ratio is to be assessed in respect of each individual application and is dependent on the type and size of the premises and the control measures in place as outlined within the operating schedule, and importantly the particular group of children likely to visit the premises in question.

**Cinema Exhibitions (see also under Prevention of Crime and Disorder)**

- 10.5 Where the exhibition of films is permitted the Licensing Authority will expect age restrictions to be complied with in accordance with the British Board of Film Classifications (BBFC) recommendations. Where a film has not been classified by the BBFC the Licensing Authority will consider whether it is appropriate to provide a local classification. When setting a local classification the Licensing Authority will have regard to the BBFC's guidelines.
- 10.6 In considering applications, the Licensing Authority will take into account any evidence that age restrictions for cinema exhibitions have not been adhered to.

**11. Cumulative Impact**

- 11.1 The Licensing Authority does not consider that there are areas where Cumulative Impact occurs presently nor is there a need at this time for the Licensing Authority to adopt a special policy relative to designating 'Stress Areas'.
- 11.2 Where there is a concentration of licensed premises this can lead to serious problems of nuisance and disorder arising in the area itself and even some distance away from the premises. In such circumstances the impact of those premises when taken as a whole can be far greater than that arising from individual premises and it may not be possible to distinguish individual premises as being the sole cause or even a major contributing factor, of a particular problem. It is the **Cumulative Impact** of all the premises which causes problems for the wider area.
- 11.3 It is clear however, that the vicinity within which licensed premises are or may be located is a major consideration in determining whether a licence should be granted and what conditions should be attached to it should representation be received. Due consideration will be given to the direct impact of the operation of the premises on members of the public living, working or engaged in normal activity in the vicinity of the premises.
- 11.4 It should be noted that 'Cumulative Impact' should not be confused with the issue of 'need', which relates to commercial demand for licensed premises. 'Need' is not a matter to be taken into account by the Licensing Authority.
- 11.5 Where a particular area becomes saturated with licensed premises making it a focal point for large groups of people to congregate, this might create exceptional problems of disorder, noise and other nuisance and in such circumstances the grant of further Premises Licenses or Club Premises Certificates may undermine the Licensing Objectives.

11.6 Notwithstanding these concerns each application has to be considered on its own individual merits. Where an objector is seeking to establish that the grant of a licence or certificate would result in a cumulative impact which undermines one or more Licensing Objectives, the following shall apply:

### **Objections on the grounds of Cumulative Impact**

11.7 In cases where objectors seek to establish that an application should be refused on the grounds that it would result in or further contribute to cumulative impact which would undermine one or more of the Licensing Objectives the objector shall:

- Identify the boundaries of the area from which it is alleged problems are arising
- Provide full details and evidence as to the seriousness of the nuisance and disorder caused in the area
- Identify the licensing objective(s) which it is alleged will be undermined with specific regard to:
  - The occupancy figure for the proposed premises
  - The nature of the licensed activity to be carried on at the premises and its patrons.

### **Identifying Stress Areas**

11.8 Where as a result of an objection under paragraph 11.7 above and the Licensing Authority is satisfied that there is a serious or chronic concern about nuisance and disorder in a particular area and has refused an application on the grounds of Cumulative Impact the area shall be declared as a 'Stress Area'. In doing so the Licensing Authority shall:

- Follow the statutory procedures outlined in the Home Office Guidance issued under Section 182 of the Act
- Identify the boundaries of the area
- Identify the licensable activities causing the nuisance and/or disorder
- Monitor and review the 'Stress Area'

### **Applications for a New Premises Licence in a Stress Area**

11.9 New premises licenses will not be granted for the activities identified as causing nuisance and/or disturbance in Stress Areas except where:

- No objections are received to the application, or
- The grant of the licence will not undermine the Licensing Objectives

11.10 In considering such applications the Licensing Authority will have particular regard to:

- The occupancy figure for the proposed premises
- The proximity of the premises to others in the Area licensed for similar activities and the occupancy figures for those other premises
- Whether the proposed premises will act as a replacement for others in the Area that no longer has a licence
- The proposed methods of management outlined in the applicants' operational plan
- The proposed hours of operation
- Transport provision for the Area

#### **Existing Premises Licenses in Stress Areas**

11.11 The above factors cannot be used as a justification for removing an existing licence. If representations are received about existing licensed premises relating to matters other than cumulative impact and which undermine the Licensing Objectives then appropriate action may be taken.

#### **Applications for variations to existing Premises Licenses in Stress Areas**

11.12 Applications for variations to existing Premises Licenses in Stress Areas will not be granted where modifications directly affect the issue of Cumulative Impact in the Stress Area or otherwise undermine the Licensing Objectives. An example of where a modification may directly affect the issue of cumulative impact would be where an application was received to extend premises and significantly increase the occupancy level of the premises.

### **12. Applications for New Grants and Variation of Existing Terms and Conditions**

12.1 In the absence of any Relevant Representations in respect of any application made to the Licensing Authority, it is the duty of the Authority to grant the licence or certificate subject only to conditions that are consistent with the Operating Schedule and any Mandatory Conditions prescribed in the Act. This will also apply to any applications made in respect of premises within an identified Stress Area.

- 12.2 The EU Services Directive (Directive 2006/123/EC) and the Provision of Services Regulations 2009 require the Authority to enable an electronic application facility. This is available through [www.GOV.uk](http://www.GOV.uk) for Premises Licence applications, renewals and variations and for Club Premises Certificates, renewals and variations. An automatic grant is not available for these applications since visits to premises are required in order to ensure the Licensing Objectives would be promoted. In addition the consideration of a licence needs to take into account the management of the premises.
- 12.3 The Licensing Authority will consider the same issues in respect of a variation and a renewal as they do in respect of an application for a new grant.
- 12.4 The Licensing Authority may take into account any non-compliance of other statutory requirements brought to its attention. Particularly where these undermine the Licensing Objectives, as non-compliance with other statutory requirements may demonstrate that the premises are unsuitable for the activities proposed or that the management of the premises is not adequate to protect the public from harm or nuisance.
- 12.5 The Licensing Authority will consider whether appropriate measures have been put into effect by the applicant to mitigate any adverse impact.

### **13. Temporary Events**

- 13.1 Arrangements are made under Part 5 of the Act for the temporary carrying on of licensable activities which are not authorised by a premises licence or a club premises certificate.
- 13.2 The Licensing Authority will provide advice about, amongst other things, public safety. Organisers of temporary/large scale events will be encouraged to seek advice and information from the Council's Event Safety Advisory Group prior to submitting any application.
- 13.3 Legislation states that a minimum of ten working days notice should be given to the Licensing Authority of temporary events (or five working days in respect of a late temporary event). In accordance with the Act, 'Working Day' excludes Saturday, Sunday and Bank Holidays. The Licensing Authority cannot and will not accept notification of a Temporary Event Notice or a late Temporary Event Notice outside the statutory time limit.
- 13.4 The Licensing Authority acknowledges that in exceptional circumstances, some Temporary Events may and do have an impact upon crime and disorder. Therefore, in cases of large scale events, organisers should consider providing as much notice as possible. The Licensing Authority considers two months notice to be advisable in relation to such events.

13.5 The Licensing Authority expects organisers to give due consideration to the four licensing objectives and to consider local residents and those attending events, in areas such as:

- Health and Safety
- Noise Pollution
- Use of Temporary Structures
- Road Closures
- Use of Pyrotechnics or Fireworks
- Controlling Anti-Social Behaviour

13.6 The Licensing Authority may advise applicants to consult with Cheshire Fire and Rescue Service and North West Ambulance Service for guidance with regards to assessing possible risks.

13.7 Applicants will also be reminded that giving a Temporary Event Notice does not relieve the premises user from planning law and any requirement to obtain the appropriate planning permission where it is required.

#### **14. Operating Schedule**

14.1 It is recommended that that applicants contact Responsible Authorities when preparing their operating schedules. This is likely to reduce subsequent objections.

14.2 This Statement of Licensing Policy sets out criteria and considerations, which relate to the Licensing Objectives, which applicants should have in mind when drawing up their Operating Schedule.

#### **15. Hours of Operation**

15.1 The Licensing Authority will determine licensing hours based on the individual merits of each application.

15.2 The Licensing Authority will consider whether longer licensing hours will achieve a gradual dispersal of people leaving licensed premises and therefore promote the Licensing Objectives.

15.3 The Licensing Authority recommends that applicant's indicate within the operating schedule that consideration has been given to the impact the licensing hours applied for will impact on local residents and the surrounding area.

- 15.4 The Licensing Authority will consider licensing shops, stores and supermarkets to sell alcohol for consumption off the premises at any time when the retail outlet is open for shopping unless there are good reasons, based on the licensing objectives, for restricting the hours. Consideration may be given to restricting the licensing hours of individual shops in circumstances where representations received indicate that the premises is a focus of disorder and disturbance.

## **16. Conditions**

- 16.1 The Licensing Authority may, when considering the content of the Operating Schedule, select appropriate conditions from the Home Office Guidance, pool of Conditions, where it is deemed appropriate to ensure that the Operating Schedule reflects the four Licensing Objectives.
- 16.2 Where appropriate, following receipt of Relevant Representations, the Licensing Authority, may attach conditions to the grant of a licence which seeks to regulate the behaviour of persons as they leave licensed premises.
- 16.3 Where existing law already places statutory obligations on applicants the Licensing Authority will not usually impose the same or similar duties by way of condition.

## **17. Enforcement and Review**

- 17.1 It is the intention of the Licensing Authority to work proactively with the Cheshire Police and other enforcement agencies. Proportionate targeting of agreed problem and high-risk licensed activities needing greater attention will be applied. A corresponding lighter touch for well run, lower risk premises will also be applied.
- 17.2 The Review of licences or certificates provides a key protection for the community where the Licensing Objectives are being undermined. The Review system should allow the Licensing Authority to apply a light touch bureaucracy to the grant or variation of a licence or certificate. The Licensing Authority may then take a more robust approach when problems relating to the Licensing Objectives arise later in respect of any premises.
- 17.3 At any stage following the grant of a premises licence or a club premises certificate, a Responsible Authority or any other person, may ask the Licensing Authority to review the licence or certificate because of a matter arising at the premises in connection with any of the four licensing objectives. The Licensing Authority shall refer to Guidance when assessing whether any Relevant Representations are irrelevant, vexatious, frivolous or repetitious.

- 17.4 Although the Act does not require premises inspections to be undertaken, they will take place at the discretion of the Licensing Officers charged with this role and will take place as judged necessary. This will ensure that the Licensing Authority manages resources efficiently and that 'effective enforcement' is directed at 'problem premises'.
- 17.5 Where any conditions have been applied to a Premises Licence or Club Premises Certificate and Authorised Officer of the Council may inspect the premises at any reasonable time for the purpose of checking that the conditions are being complied with.

### **Door Supervisors**

- 17.6 The Security Industry Authority (SIA) plays an important role in preventing crime and disorder by ensuring that door supervisors are properly trained and licensed. Specific enquiries or premises visits may occur in order to ascertain that SIA Licenses are being executed in the correct manner and not as a tool for crime and disorder such as fronts for serious and organised criminal activity. Intelligence led operations by the SIA, Licensing Authority and/or Police will be conducted without notice

## **18. Early Morning Alcohol Restriction Orders (EMROS)**

- 18.1 Under Section 172 A to E of the Act, the Licensing Authority has the power to make an EMRO prohibiting the sale of alcohol for a specified period between the hours of 24:00 and 06:00. They are designed to address recurring problems with licensed premises, serious public nuisance and other instances of alcohol-related anti-social behaviour which is not directly attributable to specific premises.
- 18.2 The Licensing Authority will consider evidence that such a decision is appropriate for the promotion of the Licensing Objectives. Consideration will be given to evidence provided by partners, Responsible Authorities and the Local Community Safety Partnership as well as evidence the Licensing Authority has gathered to determine whether an EMRO would be appropriate for the promotion of the licensing objectives. The Licensing Authority will consider the problems that have been identified. A range of evidence may be considered, including local crime and disorder statistics, statistics on anti-social behaviour offences, health related statistics (e.g. alcohol related emergency attendances and hospital admissions, environmental health complaints, complaints recorded by the Council, residents' questionnaires, evidence from local councillors and evidence obtained through local consultation).

18.3 It is acknowledged by the Licensing Authority that an EMRO is restrictive, whilst also being a powerful tool to address recurring problems of alcohol-related crime and disorder, serious public nuisance and alcohol-related anti-social behaviour. Prior to making an EMRO the Licensing Authority will consider whether any other measures (implemented by themselves or with partners) may address the problems that have been identified in particular other measures might include:

- Development of a Cumulative Impact Policy
- Reviewing the licenses of specific problem premises
- Encouraging the creation of business-led practice schemes
- Use of powers of the Council to designate an area where alcohol may not be consumed publicly (Designated Public Places Order)
- The confiscation of alcohol in designated areas
- Police enforcement of the general law concerning disorder and anti-social behaviour
- Prosecution for the offence of selling (or allowing such a sale) alcohol to a person who is drunk
- Use of Police powers to close down any licensed premises instantly for up to 24 hours in respect of which a TEN has effect

18.4 In taking any decision to make an EMRO, the Licensing Authority will follow the statutory process and will invite representations.

## **19. Late Night Levy**

19.1 Under Section 125 of the Police Reform and Social Responsibility Act 2011 the Council can adopt a Late Night Levy, following a consultation process, outlined by the Home Office. It allows the Council to charge an additional fee to any licensed premises that has a licence for the sale of alcohol (on and off sales) after 12 midnight and up to 06:00 in order to cover the additional costs associated with late night alcohol trading. Legislation allows this to start from midnight but it is up to the Council to decide when they wish to apply it.

19.2 Any income raised by the Levy must be split with the local Police force; the Police would receive a minimum of 70% of funds raised and the Council's 30% must be used to fund services which make the late night economy a more welcoming place.

19.3 The Council will consider implementing a Late Night Levy if appropriate.

## **20. The Licensing Process**

- 20.1 Applications can be made on the prescribed forms that can be found on the Home Office website.
- 20.2 Applications can also be made via the government website [www.gov.uk](http://www.gov.uk). In order to fulfil its obligations under the Provision of Services Regulations 2009 (and the EU Services Directive) the Council will continue to enable the application process and payment online. Tacit consent is however not applicable for applications under the Licensing Act 2003 since the suitability of an applicant and the suitability of premises are under consideration.

## **21. Delegation and Decision Making**

- 21.1 One of the major principles underlying the Licensing Act 2003 is that the licensing functions contained within the Act should be delegated at an appropriate level to ensure an efficient and cost effective service.
- 21.2 The Licensing Authority is committed to the principle of delegating its powers to ensure that these objectives are met and has arranged for its licensing functions to be discharged in accordance with the Home Office Guidance. The table at Appendix 1 sets out the agreed delegation of decisions and functions to the Licensing Committee, Sub-Committees and Officers
- 21.3 The Act itself creates a presumption that applications will be granted unless a Relevant Representation (objection) is raised. Where a function is delegated to an officer, that officer will be responsible for liaising between the applicants, objectors and Responsible Authorities to ensure that any licence granted is subject to any appropriately agreed conditions and relevant mandatory conditions
- 21.4 Where objections are made, an officer of the Licensing Authority may liaise with the Applicant, objectors and the Responsible Authorities to see if a 'settlement' is possible to overcome any objections, without the need for the matter to go before the Committee or Sub-Committee. Only where objections are raised which cannot be reconciled will matters be referred to either the Sub-Committee or the Full Committee for determination.
- 21.5 Contested Licensing Applications and Review Hearings are administrative in nature and the (Sub) Committee will ensure that any meetings are conducted as informally as possible. However, some degree of formality is needed to ensure that all parties receive a fair hearing. Procedural requirements will be established to ensure that all parties are able to express their views openly and fairly. The (Sub) Committee procedure is inquisitorial rather than adversarial and, whilst applicants, objectors and Responsible Authorities are

entitled to bring legal representation with them if they wish, this is by no means a requirement or a necessity.

- 21.6 Whilst the (Sub) Committee usually meets in public, it does have the power to hear certain applications in private. The Committee, however, will always reach its decision in private. A public announcement of the decision is normally made at the end of the Hearing together with an outline of the reasons for that decision. However on occasion this may not be possible, due to time constraints and/or the complexity of the issues under consideration, in which case a written decision will be issued as soon as possible after the Hearing.
- 21.7 The procedure which will generally be used by the (Sub) Committee, unless the Chairman of the (Sub) Committee takes the view that natural justice and fairness require a change to be made to the process, is set out at Appendix 2.

## **22. Exclusions**

- 22.1 In formulating this Statement of Licensing Policy in accordance with Guidance and recognising the need to treat each application on its individual merits the Licensing Authority makes specific exclusions, which are detailed below.

### **Commercial Demand**

- 22.2 The commercial demand for additional premises licenses (as distinct from cumulative impact) will not be a matter for the Licensing Authority, such matters being a specific consideration for the Planning Authority.

### **Zoning and licensing hours**

- 22.3 Fixed predetermined closing times for particular areas will not form part of the Policy and restriction on trading hours will be considered only where appropriate to meet Licensing Objectives.

### **Children**

- 22.5 Nothing in this Statement of Policy shall limit or require access of children to premises unless there is an overriding necessity to prevent harm to children. Areas that will give rise to particular concern are highlighted elsewhere in this Policy.

### **Standardised conditions**

- 22.6 The Policy does not provide for 'standard conditions' to be imposed so as to avoid the imposition of disproportionate and burdensome requirements. Conditions attached to licenses or certificates if deemed appropriate in particular circumstances will be tailored to reflect the individual operation of

the premises in question. Conditions will not be imposed which are beyond the responsibility or control of the premises licence holder.

### **23. Consultation**

23.1 In reviewing this Policy the Licensing Authority has consulted widely to ascertain an appropriate licensing framework for its area. Various bodies have been consulted including:

- Cheshire Constabulary
- Cheshire Fire and Rescue Service
- Cheshire East Health and Wellbeing Board
- Current licence holders
- Representatives of the local licensing trade
- Representatives of local businesses and residents
- Community Safety Partnership and Event Safety Advisory Group
- Borough Councillors
- Parish and Town Councils
- Macclesfield Charter Trustees
- Council Officers

### **24. Changes to Legislation**

24.1 This Statement of Licensing Principles reflects the law in force in June 2013. The following are some of the main changes which are currently proposed:

- An authorisation for an indoor sporting event or a performance of a play or dance may be required only when the audience exceeds a specified number (1000 for an indoor sporting event and 500 for the performance of a play or dance) or the entertainment does not take place between 8am and 11 pm on any day
- It is intended that it will be made clear that a contest exhibition or display which combines boxing or wrestling with one or more martial arts (a 'combined fighting sport') is licensable under the Act as a boxing or wrestling entertainment rather than an indoor sporting event

24.1 As changes to legislation occur the Council will implement them using the principles stated in this Statement.

## **25. Review of the Statement of Licensing Policy**

- 25.1 The adoption of a revised Statement of Licensing Policy is reserved to full Council. However, if a review were necessary during the 5 year period for which the Policy is adopted this can be undertaken by the relevant Cabinet Member and the Council's Licensing Committee which would make a recommendation to Council.

**Table of delegations of licensing functions**  
Functions under the Licensing Act will be dealt with as follows:

<b>Matter to be Dealt with</b>	<b>Full Committee</b>	<b>Sub-Committee</b>	<b>Officers</b>
Application for Personal Licence		If a police objection	If no objections made
Application for Personal Licence with unspent convictions		All Cases	
Application for premises Licence/Club Premises Certificate		If a relevant representation made	If no relevant representation made
Application for provisional statement		If a relevant representation is made	If no relevant representation is made
Application to vary Premises Licence/Club Premises Certificate		If a relevant representation made	If no relevant representation made
Application to vary designated Personal Licence holder		If a police objection	All other cases
Request to be removed as designated Personal Licence Holder			All cases
Application of transfer of Premises Licence.		If a police objection	All other cases
Application for Interim Authorities		If a police objection	All other cases
Application to review Premises Licence/Club Premises Certificate		All cases	
Decision on whether a complaint is irrelevant, frivolous, vexatious, etc			All cases

<b>Matter to be Dealt with</b>	<b>Full Committee</b>	<b>Sub-Committee</b>	<b>Officers</b>
Decision to object when Local Authority is a consultee and not a lead authority		All cases	
Determination of a relevant objection to a Temporary Event Notice		All cases	
Power to issue a Counter Notice in respect of a Temporary Event			All cases
Determination of a minor variation			All cases
Decision to exercise the Licensing Authority's powers as a Responsible Authority			All cases

## CHESHIRE EAST COUNCIL

**Procedure for Hearings – Licensing Act 2003****The Licensing Committee**

The full Licensing Committee consists of fifteen elected Members of the Council. From this full Committee will be drawn sub-committees of three members to deal with licensing functions under the Licensing Act 2003. The Chairman and Vice Chairman of the Licensing Committee shall have the discretion to refer a matter up to a hearing of the full Licensing Committee.

**Officers at Hearings**

- **The Committee Officer** introduces all parties and records the proceedings
- **The Legal Adviser** provides independent advice to the Members on legal matters and procedure.
- **The Licensing Officer** will introduce the matter and outline the application; the officer will also answer any questions Members may have.

**PROCEDURE**

NOTE: If the Sub-Committee has not already elected a Chairman, that will be the first item of business.

<b>1</b>	<b>Chairman</b>	The Chairman will: (i) call the matter to be considered (ii) call for any declarations of interest (iii) ask all parties to introduce themselves (iv) summarise the procedure to be followed at the hearing (v) will consider any request made by a party for another person to appear at the hearing (v) will advise the parties of any maximum period of time in which it has to present its case (if a maximum is imposed this shall be equal for all parties)
<b>2</b>	<b>Licensing Officer</b>	Will introduce and summarise the application, highlighting areas of contention or dispute.
<b>3</b>	<b>Committee Members</b>	May ask questions of the Licensing Officer
<b>4</b>	<b>Applicant</b>	Will present his/her case, calling witnesses, as appropriate.  <i>(If necessary, applicant will produce any notices required by law. Legal Adviser will draw attention to this if required.)</i>

5	<b>Responsible Authorities</b>  (who have made representations)	Each in turn may ask <u>questions</u> of the applicant, by way of clarification.
6	<b>Other Persons</b>  (who have made representations)	To be invited to ask <u>questions</u> of the applicant, by way of clarification.  <i>It is normal practice for a spokesperson only to speak on behalf of a group of residents.</i>
7	<b>Committee Members</b>	Each in turn may ask <u>questions</u> of the applicant.
8	<b>Applicant</b>	May make a <u>statement</u> or ask his witnesses to clarify any matters which he feels are unclear, or may have been misunderstood.
9	<b>Responsible Authorities</b>	Will make their representations.
10	<b>Applicant</b>	Or his representative or witnesses to ask <u>questions</u> of Responsible Authorities represented at the meeting, by way of clarification.
11	<b>Other Persons</b>  (who have made representations)	May ask <u>questions</u> of the Responsible Authorities represented at the meeting, by way of clarification.  <b>(Note: This is not the point at which they should be stating their objections.)</b>
12	<b>Committee Members</b>	May ask <u>questions</u> of the Responsible Authorities represented at the meeting
13	<b>Other Persons</b>  (who have made representations)	The local residents who are objecting to the application will be invited <b><u>to make observations on the application</u></b> and present the bases of their objections.
15	<b>Applicant</b>	Or his representative or witnesses may ask <u>questions</u> of the Local Residents, by way of clarification.
16	<b>Committee Members</b>	May ask <u>questions</u> of the Local Residents.
17	<b>Chairman</b>	To invite both <b>Responsible Authorities</b> and <b>Local Residents</b> to make their closing addresses.
18	<b>Applicant</b>	Or his representative will <u>briefly summarise the application</u> and comment on the observations and any suggested

		conditions.
19	<b>Committee</b>	<u>Will retire</u> to consider the application. The Committee may request the Legal Advisor to advise on legal issues.
20	<b>Committee</b>	<p>Will return to <u>give its decision</u>, with reasons, which will be announced by the Chairman and subsequently confirmed in writing to the applicant and to all the parties that made representations.</p> <p>In cases where a decision cannot be given at the end of the hearing, parties will be advised of the decision within five working days.</p>

### Notes

1. The hearing shall normally be held in public. There may be occasions on which the Committee find it necessary to exclude members of the press and public; any such decision will be taken on the basis that the public interest in doing so outweighs the public interest in the hearing, or that part of the hearing taking place in public.
2. The Chairman may require any person behaving in a disruptive manner to leave the hearing and may (a) refuse to permit that person to return, or (b) permit him/her to return only on such conditions as the authority may specify, but any such person may submit in writing any information which they would have been entitled to provide orally if they had not been required to leave.
3. Prior to the hearing each party shall have given notification and served documentation (eg statements of witnesses or reports of experts) as required. Late representations and evidence will only be considered with the agreement of all parties.
4. Anyone entitled to be heard may be represented by any person, whether or not that person is legally qualified.
5. Hearsay will be permitted but the Sub-Committee will be reminded to give it appropriate weight.
6. Due note shall be taken of the provisions of the Hearings Regulations 2005.
7. The Chair may, in the interests of expediency or convenience of the parties, vary the procedure from time to time, provided notice is given to the parties and the rules of natural justice are observed.

## Summary of Procedure

1. Chairman appointed (if this has not been done previously).
2. Chairman to call for declarations of interest and request that all parties introduce themselves.
3. Chairman summarises the procedure for the hearing
4. The Licensing Officer summarises the application
5. Applicant to present his/her case.
6. Applicant to be questioned by all parties (to clarify points only) following which, he/she can clarify any other matters which he/she feels may have been misunderstood when the application was presented.
7. Applicant to be questioned by the Committee.
8. Responsible Authorities to make their representations following which they can be questioned by all parties by way of clarification.
9. Other Persons will be invited to present the bases of their objections, following which they can be questioned by all parties by way of clarification.
10. The applicant will be invited to sum up his/her case
11. Committee/Sub-Committee withdraws to make its decision
12. Committee/Sub-Committee returns to announce its decision to all present.

## Mandatory Conditions

### Mandatory conditions where licence authorises supply of alcohol

Where a premises licence authorises the supply of alcohol, the licence must include the following conditions:

1. No supply of alcohol may be made under the premises licence—
  - (a) at a time when there is no designated premises supervisor in respect of the premises licence, or
  - (b) at a time when the designated premises supervisor does not hold a personal licence or his personal licence is suspended.
2. Every supply of alcohol under the premises licence must be made or authorised by a person who holds a personal licence

### Mandatory condition: exhibition of films

1. Where a premises licence or club premises certificate authorises the exhibition of films, the licence/certificate must include a condition requiring the admission of children to the exhibition of any film to be restricted in accordance with this section.
2. Where the film classification body is specified in the licence/certificate, unless condition (3) (b) applies, admission of children must be restricted in accordance with any recommendation made by that body.
3. Where
  - (a) the film classification body is not specified in the licence, or
  - (b) the relevant licensing authority has notified the holder of the licence that this subsection applies to the film in question,

Admission of children must be restricted in accordance with any recommendation made by that licensing authority

### Mandatory condition: door supervision

1. Where a premises licence includes a condition that at specified times one or more individuals must be at the premises to carry out a security activity, the licence must include a condition that each such individual must:
  - (a) be authorised to carry out that activity by a licence granted under the Private Security Industry Act 2001; or
  - (b) be entitled to carry out that activity by virtue of section 4 of that Act

**Prohibited conditions: plays**

1. In relation to a premises licence or club premises certificate which authorises the performance of plays, no condition may be attached to the licence as to the nature of the plays which may be performed, or the manner of performing plays, under the licence.

**Licensing Act 2003 (Mandatory Licensing Conditions) Order 2010**

1. The responsible person shall take all reasonable steps to ensure that staff on relevant premises do not carry out, arrange or participate in any irresponsible promotions in relation to the premises. An irresponsible promotion means any one or more of the following activities, or substantially similar activities, carried on for the purpose of encouraging the sale or supply of alcohol for consumption on the premises in a manner which carries a significant risk of leading or contributing to crime and disorder, prejudice to public safety, public nuisance, or harm to children:
  - (a) games or other activities which require or encourage, or are designed to require or encourage, individuals to:
    - (i) drink a quantity of alcohol within a time limit (other than to drink alcohol sold or supplied on the premises before the cessation of the period in which the responsible person is authorised to sell or supply alcohol), or
    - (ii) drink as much alcohol as possible (whether within a time limit or otherwise)
  - (b) provision of unlimited or unspecified quantities of alcohol free or for a fixed or discounted fee to the public or to a group defined by a particular characteristic (other than any promotion or discount available to an individual in respect of alcohol for consumption at a table meal, as defined in section 159 of the Act)
  - (c) provision of free or discounted alcohol or any other thing as a prize to encourage or reward the purchase and consumption of alcohol over a period of 24 hours or less
  - (d) provision of free or discounted alcohol in relation to the viewing on the premises of a sporting event, where that provision is dependent on:
    - (i) the outcome of a race, competition or other event or process, or
    - (ii) the likelihood of anything occurring or not occurring
  - (e) selling or supplying alcohol in association with promotional posters or flyers on, or in the vicinity of, the premises which can reasonably be

considered to condone, encourage or glamorise anti-social behaviour or to refer to the effects of drunkenness in any favourable manner

2. The responsible person shall ensure that no alcohol is dispensed directly by one person into the mouth of another (other than where that other person is unable to drink without assistance by reason of a disability).
3. The responsible person shall ensure that free tap water is provided on request to customers where it is reasonably available.
4. The premises licence holder or club premises certificate holder shall ensure that an age verification policy applies to the premises in relation to the sale or supply of alcohol. The policy must require individuals who appear to the responsible person to be under 18 years of age (or such older age as may be specified in the policy) to produce on request, before being served alcohol, identification bearing their photograph, date of birth and a holographic mark.
5. The responsible person shall ensure that:
  - (a) where any of the following alcoholic drinks is sold or supplied for consumption on the premises (other than alcoholic drinks sold or supplied having been made up in advance ready for sale or supply in a securely closed container) it is available to customers in the following measures:
    - (i) beer or cider: ½ pint;
    - (ii) gin, rum, vodka or whisky: 25 ml or 35 ml; and
    - (iii) still wine in a glass: 125 ml; and
  - (b) customers are made aware of the availability of these measures.

Conditions 1- 3 and 5 do not apply where the Premises Licence authorises the sale and supply of alcohol only for consumption off the premises.

## CHESHIRE EAST COUNCIL

### Cabinet

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<b>Date of Meeting:</b>	12 <sup>th</sup> November 2013
<b>Report of:</b>	Executive Director of Strategic Commissioning
<b>Subject/Title:</b>	Rural Proofing and Creating Resilient Rural Communities
<b>Portfolio Holder:</b>	Councillor Rachel Bailey, Children and Family Services and Rural Affairs

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#### 1.0 Report Summary

- 1.1 This report sets out proposals to implement Rural Proofing, and seeks approval to develop a Rural Statement and regular Rural Summits.
- 1.2 'Ambition for All', our Sustainable Community Strategy, sets out how we will ensure that Cheshire East continues to prosper, for the benefit of **all** residents, businesses and visitors. It identifies our priorities for action, and the recommendations in this report develop one element of Our Vision, which is to ensure that our "Rural communities are thriving".

#### 2.0 Recommendations

- 2.1 To approve the Rural Proofing Checklist (Appendix 1) as an effective means of rural proofing for key decisions, and embed Rural Proofing into the Council's Commissioning Cycle and Impact Assessments.
- 2.2 Develop Rural Summits as a mechanism which enables partners to work collaboratively on rural priorities.
- 2.3 Develop a Rural Statement, which identifies the Council's rural priorities and joint action.

#### 3.0 Reasons for Recommendations

- 3.1 To adopt Rural Proofing to ensure rural areas get the best and fairest deal from Cheshire East Council policies and decisions.
- 3.2 To develop regular themed Rural Summits, which enable partners to work collaboratively on rural priorities and maximises our potential to attract external funding for our rural communities. The Summits would develop the local ecosystem to make things happen, stimulating new initiatives by developing a network of rural champions and experts.
- 3.3 Develop a Rural Statement, as part of our joint approach with partners to address rural issues. The purpose of the statement would be to articulate our rural priorities and joint action, as part of our wider work on defining our identity.

#### **4.0 Wards Affected**

4.1 All wards.

#### **5.0 Local Ward Members**

5.1 All Members.

#### **6.0 Policy Implications**

6.1 The proposals are all in line with the Council's three year plan and all 3 recommendations contribute to the achievement of all 5 community outcomes.

6.2 The proposals support the Council's Sustainable Community Strategy (2010-2025), 'Ambition for All'.

#### **7.0 Financial Implications**

7.1 The proposals are designed to help to secure significant new investment to address rural issues across Cheshire East, supporting the Council's key community outcomes. Support and resources will need to be harnessed from across the public, private and voluntary sectors, through the Rural Summits (if approved) and our Local Area Partnerships.

7.2 The Action Plan, which underpins the Rural Statement, is likely to have some degree of financial implication for the Council and its partners. There will be individual assessments and approval of each project via the appropriate project and financial management processes at the appropriate time. It is expected that the Council's actions will be managed within existing budgets.

#### **8.0 Legal Implications**

8.1 Section 1 of the Localism Act 2011, which although still subject to some constraints under Section 2 of the Localism Act 2011, provides the Council with a general power of competence, intended to be wider than that conferred by the 2000 Act, and allows local authorities to do anything that individuals generally may do. The actions proposed in this report are likely to fall within this power but individual assessment of each one will be required at the appropriate time.

#### **9.0 Risk Management**

9.1 The purpose of adopting Rural Proofing is to eliminate the risk of adversely affecting our rural areas when making decisions. The aim of developing Rural Summits and a Rural Statement are to ensure we have a strategic approach to addressing the needs of our rural communities and making the most of opportunities. There are strategic risks in not having these in place, as they will enable us to manage local expectations and maximise opportunities to attract partnership and external funding to meet local rural priorities.

## 10.0 Background and Options

### National Position on Rural Issues

- 10.1 Rural communities face challenges that are specific to the rural locations they live in and rely upon. Isolated rural locations, sparse population figures and lower levels of infrastructure in rural areas can leave some rural communities feeling cut off, disengaged and overlooked.
- 10.2 The House of Commons Environment, Food and Rural Affairs Select Committee, reported in July 2013 that rural communities suffer from a “rural penalty” as they face higher house prices and council tax bills, but receive less government funding for services like schools. They are urging government to ensure more is done to achieve fair, practical and affordable outcomes for rural residents, businesses and communities. In response to this report, Cheshire East Council (CEC) has written to our MPs, asking them to support a Government review of the local government finance settlement, so that it fairly recognises rural areas in comparison with their urban counterparts. In their report, the Select Committee welcome the [Government’s Rural Statement 2012](#), which is described as a contract with rural areas and have requested that when it is next updated, it contains some key performance measures so that rural communities can hold government to account.
- 10.3 The Government’s Rural Statement is intended to underline Government’s commitment to rural England. It sets out what they are doing to put rural interests at the heart of Government, and highlights the ways in which policies are already benefiting rural areas, and presents further measures intended to secure a brighter future for rural people. It reflects their vision of successful rural businesses and thriving rural communities in a living, working countryside, and is based around three key priorities:
- **Economic Growth** – rural businesses to make a sustainable contribution to national growth;
  - **Rural Engagement** – engage directly with rural communities so that they can see that Government is on their side; and
  - **Quality of Life** – rural people to have fair access to public services and to be actively engaged in shaping the places in which they live.
- 10.4 National Government has developed [rural proofing guidelines](#) which were updated in July 2013 to ensure that all their policies do not adversely affect rural locations and communities.

### Creating Resilient Rural Communities in Cheshire East

- 10.5 Cheshire East Council is a predominantly rural Borough and our rural areas are an asset; they contribute massively to the quality of life of residents and contain important industries that contribute heavily to Cheshire East’s economy. Our rural areas also face very specific issues such as distance, population sparsity, ageing, social isolation

and market structure which can significantly influence the lives of people who live in these places and the long term survival of rural areas and communities.

- 10.6 Work is underway to set out our commitment to rural areas and to ensure that our policies and approach to service delivery always include and support the rural areas. This work needs further developing to highlight the current challenges facing rural areas in Cheshire East. A joint approach needs to be agreed with partners to ensure that rural areas are able to progressively and sustainably develop, making the most of all the benefits they have to offer.
- 10.7 Cheshire East Council held a Rural Summit in April 2013 to engage with local representatives from rural areas to discuss our key rural priorities. We are currently planning a follow on event to continue developing our collaborative work to address joint priorities.
- 10.8 In addition to our local work Cheshire East Council is a member of the newly established Rural Unitary Group, as recommended through the Local Government Association (LGA), which is a special interest grouping within the SPARSE Rural Group. The group is working together on joint key issues which will include finance to rural areas.

#### Rural Proofing in Cheshire East

- 10.9 To ensure that rural issues are firmly on Cheshire East Council's agenda, appendix 1 is a draft Rural Proofing Checklist, which is based on the national guidelines and examples of best practice at other predominantly rural local authorities.
- 10.10 The checklist is designed to be used by decision makers to rural proof our key decisions to ensure rural areas get the best and fairest deal from Cheshire East Council policy. The list of questions can be used as a prompt (rather than filling in a form) to consider how potential projects, decisions or funding applications will affect rural areas. The questions need to be considered in the initial phases of the decision making process to start discussions early on into how key decisions will affect rural areas. This should also provoke discussion and consideration into whether plans could be altered or adapted to better suit rural areas and the communities in them. The proposal is to incorporate Rural Proofing into our Commissioning Cycle and Impact Assessments.
- 10.11 The checklist can also be used as a helpful tool and completed as a form. If concerns are raised regarding a proposed project/policy/funding decision, which may have an adverse impact on rural communities, then a fuller assessment would be required. This would again enable consideration and provide evidence as to why plans are altered or adapted.

10.12 Currently our Planning Team Rural Proof decisions but others do not have a defined process for rural proofing.

### **11.0 Access to Information**

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

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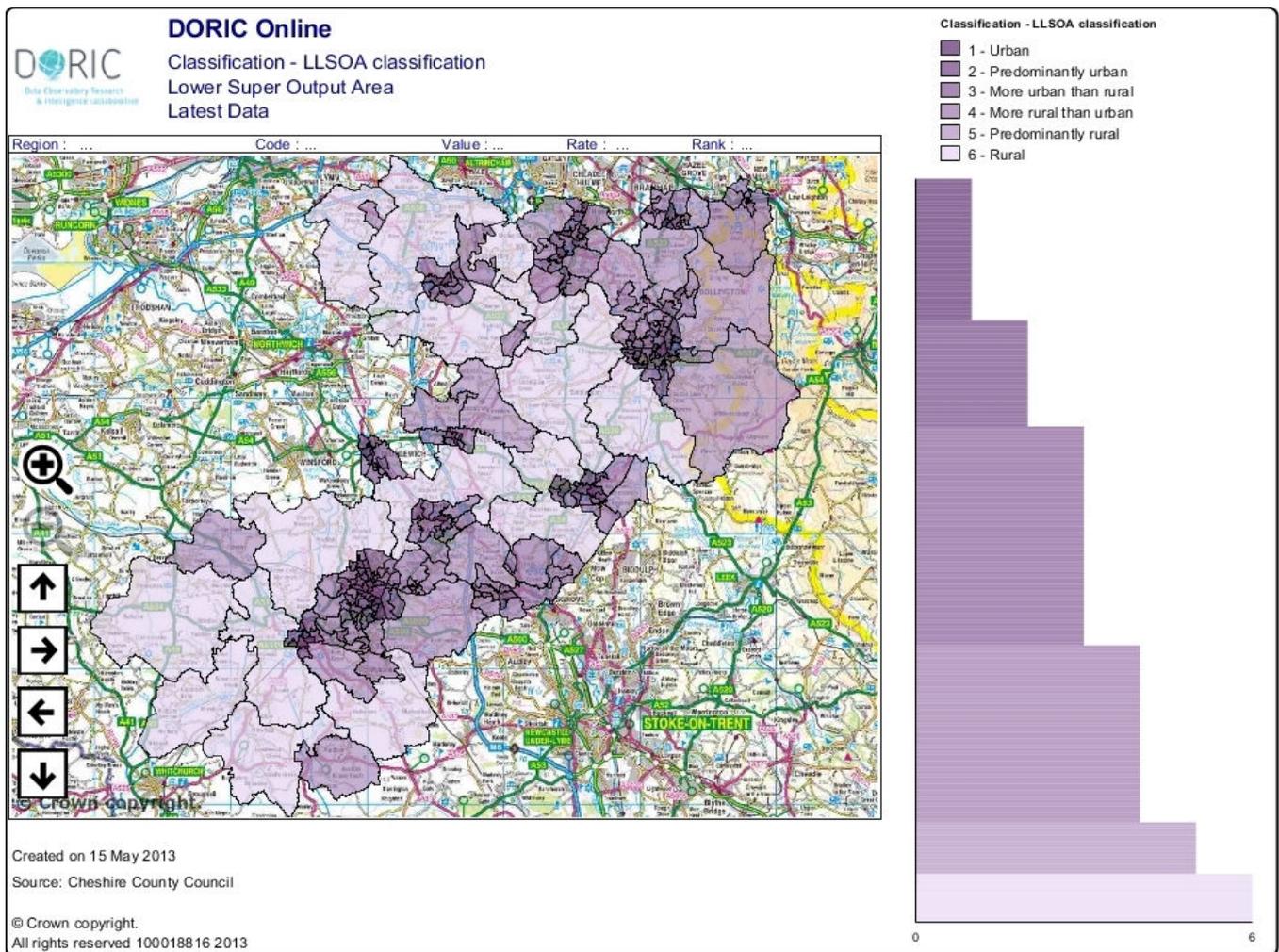
# Appendix 1

## Cheshire East's Rural Proofing Checklist



Our rural areas are an asset to Cheshire East – they contribute massively to the quality of life of residents and contain important industries that contribute heavily to Cheshire East’s economy. However, economic, geographic and demographic factors, all influence the state of our rural areas, and issues such as distance, population sparsity, ageing, social isolation and market structure can significantly influence the lives of people who live in these places, and the long term survival of rural areas and communities.

The map below shows the six different area definitions as outlined by DEFRA across Cheshire East.



The purpose of Rural Proofing is to assist Cheshire East staff (Members and Officers) in assessing how projects, funding proposals and other key decisions made by Cheshire East Council will affect rural areas and rural communities. It is important that rural proofing is not merely a list, but a thought process that takes place continually throughout working processes. This document is designed to aid thought processes to ensure that debate, discussion, research and evaluation is undertaken to ensure that Cheshire East’s rural areas and rural communities are considered, valued, included and provided for in everything Cheshire East Council does.

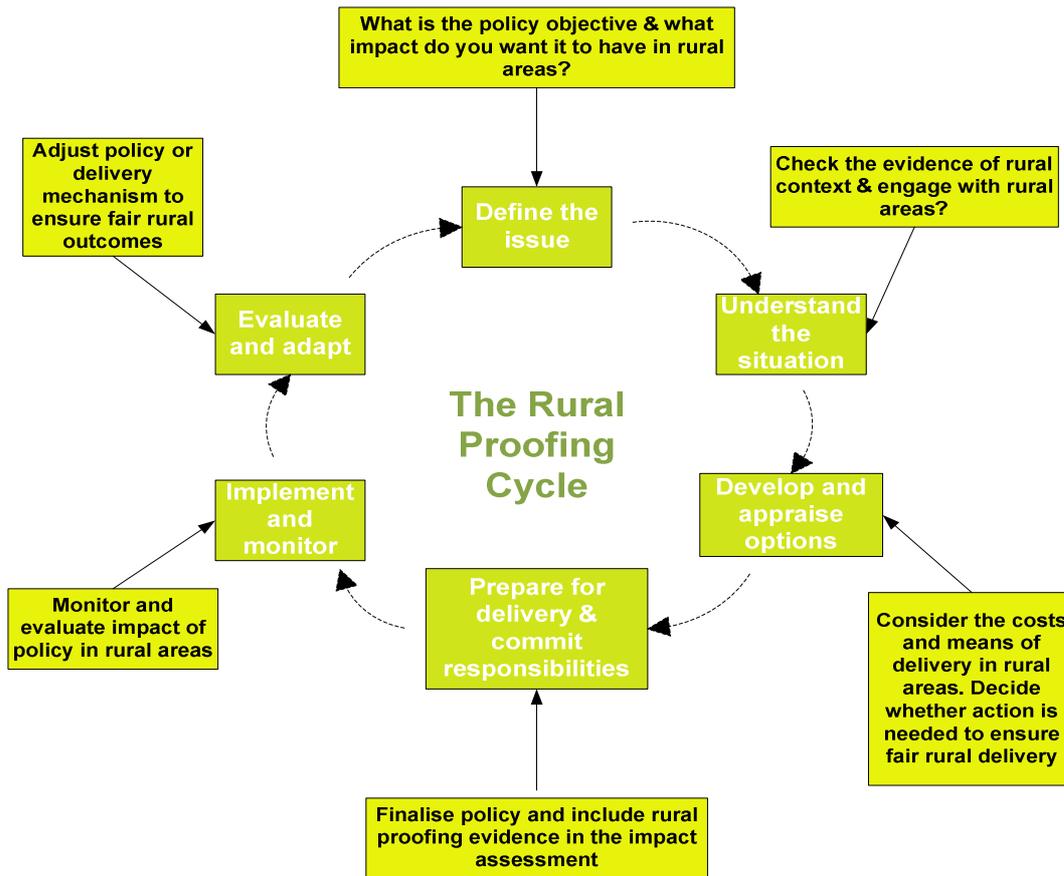
# Appendix 1

## Cheshire East’s Rural Proofing Checklist



The Department for Environment, Food and Rural Affairs has produced [National Rural Proofing Guidelines](#).

The diagram below, taken from the national guidelines, provides an overview of the Rural Proofing process.



The process and checklist below will enable decision makers to work through Policies, Projects and Funding Allocations (referred to in the checklist as a ‘proposal’) to ensure that all decisions have considered the possible effects on Cheshire East’s rural areas and rural communities and what, if any, alterations need to be made to ensure that rural areas get a fair, proportionate and value for money deal out of Cheshire East Council’s actions.

# Appendix 1

## Cheshire East's Rural Proofing Checklist



### Rural Proofing Pre-Policy Development: Impact Assessment

PLEASE NOTE ALL BOXES CAN EXPAND AS YOU FILL THEM IN.

<b>Service Area:</b>	
<b>Policy/Project/Funding allocation/ Area of work being rural proofed:</b>	
<b>Key Contact:</b>	

### Objectives and Current Situation:

<b>1. What are the key objectives of the policy/project/funding allocation (<i>proposal</i>) being considered?</b>
<b>2. What impact will it have in rural areas?</b>
Which areas specifically?:
<b>3. What is the current situation in these rural areas?</b>
a) What data/information have you analysed? b) Did you consult rural stakeholders?

### Other Services in Rural Areas:

<b>4. Will your proposal affect any other services in rural areas?</b>	<b>Yes/ No</b>
Which services, which areas (eg. Cheshire East wide, or a specific location) and how will it affect them?	
<b>5. Could you deliver it through existing service outlets?</b>	<b>Yes/ No</b>
If not, why not, and if so, which outlets?:	

# Appendix 1

## Cheshire East's Rural Proofing Checklist



### Sparsity Factor/Disproportionate Effect:

<b>6. Have you considered the impact of the sparsity factor in rural areas (geographic distance from service outputs), and what implications this may have for your proposal?</b>	<b>Yes/ No</b>
In what way?:	
<b>7. Have you accounted for the potential disproportionate effect it may have on rural areas owing to population distribution?</b>	<b>Yes/ No</b>
In what way?:	
<b>8. Will there be an extra cost to delivering to rural areas?</b>	<b>Yes/ No</b>
How much and where would this money come from?:	
<b>9. Does your proposal rely on an infrastructure that may put rural communities at a disadvantage?</b>	<b>Yes/ No</b>
What type of infrastructure, and is this infrastructure already established in rural areas? If not, how do you intend to overcome this?:	
<b>10. Will it affect travel needs or the cost of travel for rural communities?</b>	<b>Yes/ No</b>
In what way?:	

### Communication and Delivery:

<b>11. How will you communicate with residents about your proposal?</b>	
Will communities in rural areas be able to access this information and how?:	
<b>12. Does it rely on local partner organisations/ a third party for delivery?</b>	<b>Yes/ No</b>
What type of organisations, what is their role and are they on board?:	

# Appendix 1

## Cheshire East's Rural Proofing Checklist



### Rural Economy:

13. Will your proposal have an impact on rural businesses and the economy?	Yes/ No
In what way?:	
14. Will it impact on natural capital (for example, the stocks of forest, rivers, land and minerals) ?	Yes/ No
In what way?:	
15. Will it particularly affect those on low wages or in part-time or seasonal employment?	Yes/ No
In what way?:	

### Natural and Heritage Assets:

16. What implications does your proposal have for the natural environment in Cheshire East's rural areas?	
17. Is it likely to be restricted in its implementation or delivery by landscape or heritage protection in the countryside?	Yes/ No
In what way?	
18. Will it impact on people wishing to reach and use rural areas for recreation?	Yes/ No
How?	
19. Will it affect heritage assets in Cheshire East's rural areas?	Yes/ No
In what way?	

# Appendix 1

## Cheshire East's Rural Proofing Checklist



**Social/Community Value:**

<b>20. Will your proposal target disadvantaged people?</b>	<b>Yes/ No</b>
Who & how?	
<b>21. How will it help to develop strong and resilient communities?</b>	
Think in particular about issues of isolation often experienced in remote rural locations:	

**Conclusions:**

<b>Based on your answers above, are there any changes that you could make to your policy, key decision or target?:</b>
<b>Based on your answers, do you need to consider using a Sparsity Factor in your formula for funding? (Guidance on Sparsity Factors is available from the Partnerships Team)</b>
<b>If there are significant factors preventing the implementation of the recommended changes to your policy please outline these here:</b>
<b>If you do not intend to change your policy, outline how you intend to overcome significant factors mentioned above that may prevent its implementation:</b>

***Please make use of this template every time you consider new policy developments to ensure that Cheshire East's rural areas are considered, valued, included and provided for in everything Cheshire East Council does.***

## CHESHIRE EAST COUNCIL

### Cabinet

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<b>Date of Meeting:</b>	12 <sup>th</sup> November 2013
<b>Report of:</b>	Strategic Housing and Intelligence Manager
<b>Subject/Title:</b>	Handyperson and Minor Adaptations Service (Forward Plan Ref. CE 13/14-34)
<b>Portfolio Holder:</b>	Councillor D Stockton, Housing, Planning, Economic Development and Regeneration / Councillor J Clowes, Health and Adult Care

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#### 1.0 Report Summary

- 1.1 Cheshire East Council is committed to helping people to stay in their own homes and remain as active and independent as possible. To support this, a number of services are provided so that vulnerable people can benefit from opportunities that give them the choice to remain in their own homes. The re-commissioning of the Handyperson and Minor Adaptations service is part of a suite of developments across housing, social care, health and public health to increase good outcomes to achieve Outcome 5 in the Council's 3 year plan: "Local People Live Well and for Longer".
- 1.2 Handyperson services provide low level practical support for vulnerable people to enable them to remain independent and safe in their own homes. Assistance includes installing grab rails and hand rails on stairs to minimise the risk of falls, key safes to enable care to be provided at home, and an array of small repairs around the home. Handyperson services are able to reach vulnerable people who might be reluctant to accept more intensive help from statutory services and contributes to our strategy for achieving early intervention and prevention. These services are highly valued by older people as they can access support from a trusted provider to carry out jobs they can no longer do for themselves, or can't find a reputable contractor to do at an affordable price.
- 1.3 Evidence suggests that over 65s are more likely to fall in their home than younger people, and such falls are more likely to result in hospital admission. Each year, around 35 per cent of people aged 65 and over experience one or more falls, and the rate rises to 45 per cent for people aged 80 and over. Around 10 to 20 per cent of those who fall will sustain a serious injury. An evaluation concluded that for every £1 invested in handyperson services in Cheshire East, there was a cost benefit of £1.97 to public services.
- 1.4 The Handyperson and Minor Adaptations service is commissioned by Adult Services and is currently delivered in-house by the Strategic Housing service. As a result of a Strategic Housing review, this part of the service was identified as suitable for delivery by an alternative provider, which was confirmed through market testing.

- 1.5 This report seeks permission to conduct a procurement exercise to tender for a Handyperson and Minor Adaptations service. The estimated aggregated contract value is £600,000 - £800,000 over the 5 year maximum timeframe for the contract.
- 1.6 The changes to the delivery of the Handyperson and Minor Adaptations service will trigger the automatic application of the TUPE regulations which will effect a transfer of up to six members of staff employed by the Council to the successful bidder.

## **2.0 Recommendations**

- 2.1 To authorise officers to conduct a procurement exercise to tender for a Handyperson and Minor Adaptations Service. This tender will secure a contract for the provision of the service for three years, with the option to extend the contract for up to a further two years subject to satisfactory performance.
- 2.2 To delegate authority to the Director of Economic Growth and Prosperity in consultation with the Portfolio Holder for Housing, Planning, Economic Development and Regeneration to award the contract to the highest scoring bidder following a legally compliant procurement exercise and subsequently enter into a contract with the successful bidder.

## **3.0 Reasons for Recommendations**

- 3.1 The re commissioning of the Handyperson and Minor Adaptations Service forms part of the Strategic Housing review which was instigated in 2012 (Major Change Programme 5.1) to consider whether the services provided were fit for purpose and met the needs of our customers. The review was structured in a phased approach; in the first phase we have restructured the Strategic Housing service to enhance the customer journey as well as bringing forward efficiencies, and work is now underway on options appraisals for new models for service delivery for front line services. This element of the review will be concluded early in the New Year. Further reports on the options available to the authority will then be progressed through the appropriate routes for consideration and implementation.
- 3.2 The second phase will be the integration of housing into a more corporate approach, ensuring that it meets the wider agenda of economic growth and supporting our most vulnerable residents.
- 3.3 During the Strategic Housing Review, a cross-service review of the Handyperson and Minor Adaptations service has been undertaken to establish the future place of this support in delivering the Council's outcomes, and following an options appraisal it was concluded that this is a key service to achieve early intervention and preventative outcomes for vulnerable people, improving their physical and mental well-being and independence at homes. There is a well developed market to be able to deliver this type of service, and

opportunities to develop a more creative and sustainable Handyperson and Minor Adaptations service have been identified in the market place.

- 3.4 There is a need to achieve best value for the services that the Council directly commissions and provides, and to reduce net operating cost wherever possible, whilst at the same time maintaining the best possible service for its residents in line with the Council's agreed three year plan.
- 3.5 The business case was endorsed by EMB on 31<sup>st</sup> October 2013, the next stage of which is to start the procurement process.

#### **4.0 Wards Affected**

- 4.1 All Wards

#### **5.0 Local Ward Members**

- 5.1 All Wards

#### **6.0 Policy Implications**

- 6.1 The recommendations within this report support the delivery of priority five of the Cheshire East Council Three Year Plan– people live well and for longer.
- 6.2 The recommendations also support the aspiration of Cheshire East to be a Council which enables and supports communities, families and individuals to flourish and be self-reliant, a Council that works in partnership with others to ensure the best outcomes for local people and a Council that ensures services are delivered in the way which gives the best value for local people.

#### **7.0 Financial Implications**

- 7.1 The first stage of the Strategic Housing review has identified efficiency savings of £200,000 across both Housing and Adult Services. In 2013/14 savings of £79,000 were incorporated into the Strategic Housing budget. A further £119,500 savings will be incorporated into the 2014/15 budget setting process against the Adult Services budget. This is based on a mix of the capitalisation of costs relating to the management of capital schemes and efficiency savings from the restructure of both the Care & Repair and the Handyperson and Minor Adaptations services. The ability to achieve the full saving will be subject to the contract price following the tendering of the Handyperson and Minor Adaptations service.
- 7.2 Within the Business Planning process, Strategic Housing was identified as having the potential to achieve £300,000 over the period 2013/14 to 2015/16. The ability to make any further savings over the identified £200,000 can only be determined following the implementation of new delivery models.

- 7.2 There is an existing budget for the Handyperson and Minor Adaptations contract which is sufficient to cover the value of the contract (£600,000-£800,000 over 5 years).

## **8.0 Legal Implications**

- 8.1 Detailed legal advice may well be necessary on procurement and HR issues, including TUPE issues, and this requirement, and the legal resources implications, must be borne in mind and built into any future plans which might arise out of this review.
- 8.2 The Chronically Sick and Disabled Persons Act 1970 places a duty on local authorities to arrange practical assistance in the home, and any works of adaptation or the provision of additional facilities designed to secure greater safety, comfort or convenience. Authorities may discharge their duties by the direct provision of equipment or adaptations, or by providing a grant to cover or contribute to the costs of such a provision. Part 2 of the Community Care (Delayed Discharges etc) Act (Qualifying Services) (England) Regulations 2003 provide that any community care equipment and minor adaptations for 'the purposed of assisting with nursing at home or aiding daily living which a person has been assessed to need, and for which he or she is eligible, should be provided free of charge provided the cost is £1,000 or less'.
- 8.3 The power to deliver a Handyperson and Minor Adaptations service is contained within Section 111 of the Local Government Act 1972 which states: "Without prejudice to any powers exercisable apart from this section but subject to the provisions of this Act and any other enactment passed before or after this Act, a local authority shall have power to do any thing (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions."
- 8.4 The aggregate value over the lifetime of the planned Handyperson and Minor Adaptations service contract is above the EU threshold for supplies and services (£173,934), so the full EU procurement regime applies.
- 8.5 Transferring the service delivery to an external provider will trigger a TUPE transfer of current Council staff who are working on the delivery of the Handyperson and Minor Adaptations service immediately before the transfer. The Council will have to undertake the necessary due diligence to identify which employees have the right to transfer to the new provider and to be able to provide the necessary employee liability information in accordance with the TUPE regulations. The Council and the new provider will also have to comply with the Regulations' consultation requirement, which stipulates that consultation on any planned changes to terms and conditions of employment (measures) needs to be conducted in good time before the transfer. In "good time" is not defined in the regulations, but a comparison is usually drawn with the timescale for redundancy consultation which is 45 days.

## **9.0 Risk Management**

- 9.1 Failure to procure works in accordance with EU procurement regulations and the Council's Finance and Contract Procedure Rules would leave the Council open to challenge and in breach of regulations, with a subsequent reputational impact. The contract will be advertised on the North West Chest. The tenders will be evaluated using criteria to establish the most economically advantageous tender.
- 9.2 There is a risk that the cost of discretionary activities under the contract which are passed on to customers will rise substantially, with the subsequent risk that this will be viewed negatively by current and potential customers and lead to negative publicity and a reduction in take up of services. An engagement exercise will be undertaken to mitigate this risk.
- 9.3 The Handyperson service and Minor Adaptations Service is to be contracted out with the expectation that efficiency savings will be made. The level of savings will be determined by the contract price and therefore the risk is that we will not achieve the anticipated levels.

## **10.0 Access to Information**

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

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## CHESHIRE EAST COUNCIL

### Cabinet

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<b>Date of Meeting:</b>	12 <sup>th</sup> November 2013
<b>Report of:</b>	Brenda Smith, Director of Adult Social Care
<b>Subject/Title:</b>	Helping Vulnerable People to Stay Independent Using Assistive Technology (Forward Plan Ref. CE 13/14-55)
<b>Portfolio Holder:</b>	Cllr. Janet Clowes, Health and Adult Care

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#### 1.0 Report Summary

- 1.1 Cheshire East Council is committed to helping people to stay in their own homes and remain as active and independent as possible. To support this, a number of services are being enhanced and spending increased so that more citizens can benefit from services that give them the choice to remain in their own homes. This report outlines one of the areas of service being expanded, preparing for further spending in future. It is part of a suite of developments across social care, housing and health and public health to increase good outcomes to achieve Outcome 5 in the Council 3 year plan: "Local People Live Well and for Longer".
- 1.2 Assistive Technology, including Telecare, is a range of equipment and services provided in peoples' own homes to enable them to remain independent and safe. These services can range from a simple alarm call system to alert friends and neighbours when assistance may be needed, to sophisticated monitoring of the movements of people with dementia.
- 1.3 A review of the research, national and local evaluation and feedback on assistive technology for people with social care needs has taken place. This concluded that such equipment and services are a value for money support that makes a very positive difference by allowing people to stay at home. There is a growth in the range and sophistication of technology which means there are new opportunities to use technology that will allow greater independence for longer.
- 1.4 There are two contracts currently that together allow the support to be provided and combine to form assistive technology services:
  - a. A contract for purchase of the equipment
  - b. A contract for purchase of the services that 'support' the use of the equipment (e.g. the call centre for the alarm system)
- 1.5 The contract for purchase of the equipment (contract A) is secured through a government framework agreement that is compliant with procurement rules

and regulations. This report seeks approval to continue and increase spending under this arrangement.

It should be noted that there may be a need for a further procurement exercise at the 4 year point (April 2018) dependant on the status of the framework used for the procurement exercise.

- 1.6 The current contract for services (contract B) expires on 31 March 2014. A procurement exercise is required to ensure continuity for existing customers and support the increasing use and development of these services.
- 1.7 It is anticipated that the Council will wish to substantially increase its own spending on assistive technology, both equipment and services, over the next 3-5 years as a preventative strategy. The proposed increases in potential spend are detailed in the decisions requested below. In addition it is likely that health partners and other partners will also want to consider increasing their spend. This report proposes establishing the ability for the Council to offer to purchase this on their behalf with appropriate management costs paid to the Council. This increase in the scale of purchasing also ensures an opportunity to secure a better price.
- 1.8 There are a growing number of people who use these services now either through social care assessments or in extra care housing. The review recommends that these services are consistent for citizens however they receive them; currently the choices are variable.
- 1.9 The Council intends to use call-off contracts under framework agreements with suppliers as this approach allow for flexibility of the amount and type of services that are purchased dependent on need and available budget.
- 1.10 The existing contracts have different end-dates, to align these a break clause will be incorporated in 2 years time to allow other contract spends to be incorporated.

## **2.0 Recommendations**

- 2.1 That Cabinet approve a continued and increasing Council spend on assistive technology equipment (Contract A) to a cumulative maximum of £2.1 million over 5 years, which includes Council expenditure as follows:
  - Current eligible customers under Fair Access to Care services; £1.5 million
  - Extra care housing customers (Supporting People funding currently); £0.6 million
- 2.2 That Cabinet approve a higher total ceiling on the contract for equipment (Contract A) of £3.6 million over 5 years to allow for health and other partner spend in future to be purchased through the Council.
- 2.3 That Cabinet approve a procurement exercise to retender for assistive technology services (Contract B). This tender will secure a call-off contract

under an existing Framework Agreement by undertaking a mini-competition exercise with a supplier for up to four years, 2 years initially, with possible extensions of two one year terms.

- 2.4 That Cabinet approve a continued and increased Council spend on assistive technology services (Contract B) to a cumulative maximum total of £4.6 million over five years, which includes Council expenditure as follows:
- Current FACs eligible customers: £ 2.5 million
  - Extra Care housing customers: £ 2.1 million
- 2.5 That cabinet approve a higher total maximum level of spend under the call-off contract for assistive technology equipment services(Contract B) than the Council maximum in order to allow for future purchasing on behalf of partner organisations including health. That maximum to be set at a cumulative total over the five years of £6.2 million.
- 2.6 That Cabinet delegate authority to the Director of Adult Social Care to award the call-off contract to the highest scoring bidder following a legally compliant procurement exercise and subsequently enter into contracts.
- 2.7 That authority for the allocation of actual Council spending, up to the maximum approved in this report, is delegated to the Director of Adult Social Care, as part of budget setting processes.
- 2.8 That authority to work in partnership with and jointly commission assistive technology equipment and services on behalf of CCGs, health and other partners in future is delegated to the Director of Adult Social Care, subject to any further approvals required in accordance with the Council's Constitution.

### **3.0 Reasons for Recommendations**

- 3.1 The commissioning review of assistive technology has been undertaken to establish the future place of this support in delivering on the Council's outcomes. This has concluded that there is substantial local, national and international evidence and feedback that assistive technology is very effective at enabling people to remain in their own homes. It allows the potential risks for frail or ill or learning disabled people living or being left alone to be mitigated. This independence increases the individual person's freedom, sense of well-being and physical independence. It also reassures carers that risks are managed and that staying at home is preferable to a care home.
- 3.2 For these reasons Cheshire East Council has been increasing its purchasing of these services each year since 2010. The Council is working closely with health partners in the CCGs to further expand the access to and use of assistive technologies including Telehealth which is specialist health monitoring equipment.
- 3.3 Analysis of the impact of Cheshire East Council's increased use of assistive technology since 2010 shows that people remain more independent with lower

cost support packages. In the financial year to March 2013 £979,000 net support costs were avoided through this approach based on individual customer analysis and an avoided cost calculator developed by colleagues in finance.

Outcomes for people receiving assistive technology under the current contract have been positive in terms of maintaining their independence. For example; an average of more than 3 people per month have avoided a permanent care placement as a result of assistive technology support.

- 3.4 In addition to social care spend some Assistive technology Services are currently commissioned under Supporting People budgets for vulnerable adults living in extra-care housing in Cheshire East; this provision is part of their tenancy agreement. The review of assistive technology commissioning recommended that assistive technology services for people in Cheshire East should be consistent for customers rather than being distinct services dependant on the funding stream. In future there is an opportunity to secure this support through these contracts. For this reason the spending calculations have incorporated that possibility in order to future proof these arrangements. Also the 2 year initial period will allow current extra-care housing arrangements to be aligned with this contract at that point.
- 3.5 In further addition the Council has been actively working with local health commissioners to seek a joint commissioning approach to incorporate Telehealth. This would provide customers with a seamless assistive technology response from health and social care. The future of integration with health means that we should anticipate that the Council may wish to purchase such equipment and services on behalf of the CCGs in future, for efficiency and value for money. It is for this reason that the recommendations are of higher maximum spend limits on the contracts, over and above the agreed maximum council spend. If the Council were to offer this to partners there would be an appropriate management fee to the Council.
- 3.6 It is the intention, within the broader review of charging for all services, to consider how and when full cost recovery can be introduced. Under the new contracting arrangements from April 2014, Cheshire East will continue to charge the full unit cost of the provider charge for service to customers; this is not full cost recovery.

#### **4.0 Wards Affected**

- 4.1 All wards affected

#### **5.0 Local Ward Members**

- 5.1 All ward members

## **6.0 Policy Implications**

- 6.1 The recommendations within this report support the delivery of priority five of the Cheshire East Council Three Year Plan– people live well and for longer.
- 6.2 The recommendations also support the aspiration of Cheshire East to be a Council which enables and supports communities, families and individuals to flourish and be self-reliant, a Council that works in partnership with others to ensure the best outcomes for local people and a Council that ensures services are delivered in the way which gives the best value for local people.
- 6.3 The procurement of assistive technology equipment and services will be integral to a number of major change programmes within Adult Social Care. In particular, the intention to redesign practice and process of assessment and care management in Adult Social Care and the review of learning disability provision across the life course.

## **7.0 Legal Implications**

- 7.1 The existing extension to the current assistive technology services contract (Contract B), under Cheshire East's non-compliance procedure is due to end on 31 March 2014 and cannot be extended further.
- 7.2 Replacement services must be procured by the Council in order to fulfil its statutory duties under the Health and Social Care Act 2010. Due to the potential contract values, the Council needs to undertake a competitive tender exercise in accordance with the Public Contracts Regulations 2006 and the Council's own Finance and Contract Procedure Rules.
- 7.3 Under the Public Contracts Regulations 2006, Framework Agreements can be put in place for a maximum term of four years. As these contracts will potentially be in place for a four year term in accordance with the overarching Framework Agreement, a re-procurement exercise will need to be undertaken. As the contracts will be entered into for a four year term, Legal Services will need to review the Framework Agreement terms and conditions and will advise on the termination provisions to determine whether the Council can terminate on notice together with provisions allowing the Council to apply appropriate penalties should the providers fail to provide the services to the required standard.
- 7.4 The contract for purchase of the equipment (Contract A) is secured through a government framework agreement that is compliant with procurement rules and regulations.

## **8.0 Finance**

- 8.1 There is no obligation for the Authority to purchase services through the contract.

The deployment of assistive technology services has been established as a positive 'invest to save' option for adult social care with a return on investment rate of £3 of avoided costs for every £1 spent.

8.2 As assistive technology has been shown to reduce the need for more costly interventions it is proposed that the funding for this service should increase to maximise the impact for people in Cheshire East and the Council as the commissioner of social care. The current budget for Telecare is provided under section 256 of the NHS Act (2006) and under local the agreement for spending this money, the commissioning of Telecare services is supported by the local CCGs and NHS England.

8.3 The maximum level of cumulative spend by the Council over the 5 years is:

On the equipment contract (Contract A): £2.1 million (including possible Supporting People element)

On the services contract (Contract B): £ 4.6 million

## **9.0 Risk Management**

9.1 Failure to commission the replacement service will mean that no services will be available to existing and potential future customers of Cheshire East from 31 March 2014.

9.2 The services provided enable the Council to fulfil its statutory duty under the Health & Social Care Act.

9.3 As with all contracts there is a risk that once contracts are awarded the preferred supplier will not be in a position to fulfil the contract. This risk would be mitigated through active contract management but in rare circumstances the service may need to be re-procured.

9.4 As the costs of the services under the contract are anticipated to rise as a result of the procurement exercise (i.e. the providers costs will have increased) the cost which is passed on to customers will rise substantially. There is a risk that this will be viewed negatively by current and potential customers and lead to negative publicity and a reduction in take up of the services. An engagement exercise will be undertaken to mitigate this risk.

## **10.0 Access to Information**

The background papers relating to this report can be inspected by contacting the Officer named below:

Name: Jon Wilkie

Designation: Project & Performance Manager

Tel No: 01625 374770

Email: Jon.Wilkie@cheshireeast.gov.uk

## CHESHIRE EAST COUNCIL

### Cabinet

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<b>Date of Meeting:</b>	12 <sup>th</sup> November 2013
<b>Report of:</b>	Director of Economic Growth and Prosperity
<b>Subject/Title:</b>	Strategic Infrastructure - Poynton Relief Road (Forward Plan Ref. CE 13/14-51)
<b>Portfolio Holder:</b>	Councillor David Brown, Strategic Communities

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#### 1.0 Report Summary

- 1.1 This report updates on the major steps forward in the funding and delivery of this key piece of strategic infrastructure which will help promote jobs-led growth in the north of the Borough.
- 1.2 Cabinet approved at their meeting in September 2012 to update and develop a revised route for Poynton Relief Road (PRR). This road will form part of a wider multi modal strategy for the A523 corridor which will include other complementary measures.
- 1.3 The A6 to Manchester Airport Relief Road (A6-MARR) scheme is fully funded and this makes it vital that the PRR scheme is delivered as soon as possible to realise the traffic and wider economic benefits to the Borough.
- 1.4 The scheme has been prioritised by the Cheshire and Warrington Local Transport Body (CWLTB) in its 4 year funding programme from 2015/16 to 2018/19. Additional funding will be bid through the Growth Deals process between the Government and the LEP. A business case is required to be developed to access the CWLTB funding and design work will need to be undertaken to enable swift implementation of the scheme when full funding is in place or to take full advantage of other funding opportunities.
- 1.5 This report requests approval for a range of key tasks to be progressed that enable a revised programme to be achieved to deliver the PRR and any A523 corridor improvements subject to the residual funding being identified.

#### 2.0 Recommendations

- 2.1 To endorse the successful £5.62m funding allocation through the Cheshire and Warrington Local Transport Body process and the inclusion of the scheme and A523 corridor strategy in the Growth deal bid to Government.
- 2.2 That a DfT compliant business case be developed to allow access to this funding.
- 2.3 That the objectives of the scheme be defined as:

- To support the economic, physical and social regeneration of Poynton and the North of the Borough, in particular Macclesfield.
  - To relieve existing Village centre traffic congestion and HGVs and reduce traffic on less desirable roads on the wider network.
  - To deliver a range of complementary measures on the A523 corridor to Macclesfield that addresses Road Safety, Congestion and mitigates the wider environmental impact of traffic.
  - To improve strategic transport linkages across the Borough, including improving a key strategic link between the A6-MARR, Macclesfield and the M6 thereby facilitating wider economic and transport benefits including higher GVA and job creation.
  - To allow improvements to the highway network for walking, cycling and public transport
- 2.4 That the corridor of interest for new possible routes for PRR be agreed as shown in **Appendix A**
- 2.5 That approval to proceed to public consultation on possible new routes for PRR be delegated to the Director of Economic Growth and Prosperity in consultation with the Portfolio Holder for Strategic Communities.
- 2.6 That the extended scheme programme be delivered (attached at **Appendix C**) with the following key milestones:

Task	Start	Finish
1. Revised Preferred Route announcement	Ongoing	May 2014
2. Preliminary Design including improvements to the A523 corridor to Macclesfield and scoping a wider multi modal strategy.	May 2014	February 2015
3. Scheme Business Case	May 2014	May 2015
4. Environmental Surveys	May 2014 <i>(Indicative dates)</i>	May 2015 <i>(Indicative dates)</i>
5. Environmental Statement	February 2015 <i>(Indicative dates)</i>	August 2015 <i>(Indicative dates)</i>
6. Planning Application	August 2015 <i>(Indicative dates)</i>	January 2016 <i>(Indicative dates)</i>

2.7 That Cabinet note the revised budget profile as set out below:

- £0.350m 2013/14
- £0.650m 2014/15
- £0.150m 2015/16

Total £1.150m

2.8 That the scope of the brief be extended to consider measures to address safety, environmental and congestion issues on the A523 corridor between the end of the proposed PRR and the end of the Silk Road in Macclesfield, including undertaking a wider multi modal study to manage traffic growth on the A523 corridor.

2.9 That the necessary professional services for these tasks continue to be procured through the current Highway Services Contract (Ringway Jacobs) subject to the Strategic Infrastructure Manager being assured of value for money.

2.10 That the project governance structure as set out in **Appendix B** be approved.

2.11 To note that the Highway Agency intends to remove its route protection for PRR in the near future and that Cheshire East Council will become liable for blight costs associated with the route protection of PRR as contained in the extant Macclesfield Borough Council Local Plan.

2.12 To request that Stockport MBC maintain and broaden its Local Plan protection for PRR along a corridor of interest that lies within its boundaries until such time as Cheshire East Council provides a revised route and, if necessary, to indemnify Stockport MBC against any blight claims it may receive as a result of its route protection for PRR. This plan is shown at **Appendix A**.

### **3.0 Reasons for Recommendations**

3.1 These recommendations are necessary:

- To ensure that Poynton Relief Road can be constructed at the earliest opportunity to take advantage of any new funding streams that become available and coincide with the opening of the A6-MARR.
- That measures are identified and developed to ensure that complimentary measures are provided on the A523 corridor to Macclesfield.

- To enable a new protected route to be included within the CEC local plan.
- To continue to protect the existing route of the relief road in the meantime until any revised route is agreed and incorporated into the Local Plan.

#### **4.0 Wards Affected**

4.1 Poynton East and Pott Shrigley, Poynton West and Adlington, Prestbury

#### **5.0 Local Ward Members**

5.1 Local Ward Members include:

- Poynton East and Pott Shrigley – Cllr Howard Murray and Cllr Jos Saunders.
- Poynton West and Adlington – Cllr Philip Hoyland and Cllr Roger West.
- Prestbury – Cllr Paul Findlow.

5.2 As part of the project Governance, the design team will be seeking support for establishing a Local Member Working Group now that the project will move forward to planning and business case milestones.

#### **6.0 Policy Implications**

6.1 The current programme for the production of the draft Core Strategy of the Local Plan indicates publication will take place by Autumn 2013 enabling a submission to the Secretary of State by early 2014.

6.2 The final protected line for PRR needs to be established and approved by Summer 2015 for inclusion within the Local Plan Site Allocations document. A corridor of interest will be provided in the Core Strategy.

6.3 Until this time, the existing route protection for the scheme will be maintained as shown on the extant Macclesfield Local Plan. Stockport MBC will protect that part of the scheme that falls within their authority area.

6.4 No strategic development sites have been identified in and around Poynton but there are proposed allocations for new settlements, one on the former BAe Woodford site (in Stockport MBC plan) and the other at Handforth East. Any non-strategic sites will be identified within the Site Allocations Document.

6.5 The scheme will improve connectivity from the North of the Borough to the Motorway network.

#### **7.0 Financial Implications**

7.1 In July 2013 the DfT confirmed the CWLTB allocations for devolved funding covering the period 2015 to 2019. £14.5m was awarded to the CWLTB. Subject to confirmation of the business case the PRR has been

confirmed as a priority scheme by the CWLTB. The funding awarded amounts to £5.62m in the 2015 to 2019 period with an additional £4.16m to be made available as part of the next Spending Review period.

- 7.2 The junction that accommodates the PRR will be funded by the SEMMMS project. The SEMMMS project has also agreed in principle to making a contribution of £2m towards the PRR. A separate legal undertaking should be progressed to secure this with the Greater Manchester combined Authority (GMCA).
- 7.3 Indicative scheme costs, including project development and land, are in the region of £20m (including 44% optimism bias). The funding gap outside of the CWLTB allocation and the settlement with GMCA will need to be identified from the Council's capital programme or from other funding sources.
- 7.4 The Council owns land on the current protected alignment of the PRR – a revised alignment which avoids this would increase the value of this asset.
- 7.5 The current budget provision for the scheme is £1.150m this assumes a contribution from the GMCA of £0.550m, which the Council may be required to fund in advance of the actual receipt.
- 7.6 The current approved commission to provide a revised protected route (Task 1) has a budget estimate of £350,000.
- 7.7 The indicative budget estimate to complete the whole of tasks 2 – 6 is £0.800m; all within the current budget provision of £1.150m.
- 7.8 The current route of PRR is contained in the extant Macclesfield Borough Council Local Plan. The Highways Agency has also maintained the same route protection and has met any blight claim costs over the years. However, the Highways Agency has informed us that they intend to remove the route protection in conjunction with the wider development of the A6-MARR scheme.
- 7.9 Assessing the financial implications of any potential blight claims on the route of the existing PRR is very difficult and although likely to be on an exceptional basis, this does present a risk that additional funding may be required to be met from Council resources.

## **8.0 Legal Implications**

- 8.1 The Highways Agency (HA) has maintained a protected route corridor, as shown in the Macclesfield Local Plan, and associated orders for part of the SEMMMS which at the time included Poynton Relief Road. Now that both the SEMMMS scheme and the Poynton Relief Road are being progressed as local authority promoted schemes, the HA want to remove their protection from the corridor. In order for the Council to progress the Poynton Relief Road, the protected route corridor must remain in the Local Plan and in accordance with the Town and Country Planning Act 1990, the Council will be liable for any blight claims following the removal of the HA's

protection. It is not clear at present when the HA protection will cease and when the liability will transfer to the Council.

- 8.2 The majority of Poynton relief road is in Cheshire East, however, a small section of the route for which the HA maintains protection is in Stockport. Cheshire East has written to Stockport Council requesting that a corridor of interest for the alignment of the Poynton Relief Road is protected within the Stockport boundary. It may be necessary for the council to indemnify Stockport Council against any blight claims that it receives in respect of the PRR.
- 8.3 Other legal issues and considerations which will apply to this project will be the subject of future Cabinet reports. However the following matters will/ may be relevant as the scheme develops:
1. Protected route process
  2. Planning permission
  3. Compulsory Purchase Procedures including in all likelihood a public enquiry
  4. Side Roads and Traffic Regulation Orders
  5. Highway agreement with Stockport Council for the procurement and carrying out of the works within Stockport

## **9.0 Risk Management**

- 9.1 It is considered that continuing with project development work on the PRR will enable the council to be best placed to take advantage of funding opportunities that may flow from the Governments 'Growth Deals'. However, there can be no certainties that this funding will be available.
- 9.2 Preliminary traffic modelling undertaken for the PRR indicates that a wider strategy for the remaining A523 corridor needs to be considered. This work would consider issues affecting the existing road corridor including looking at other modes of transport.
- 9.3 Gateway reviews, built into the Project Plan and governance structure will ensure that progress to the next stage of scheme development is warranted.
- 9.4 It is considered that the risk of new blight claims arising on the existing protected route is very low as a revised alignment is expected relatively quickly and the Highways Agency have settled most valid claims over the years.
- 9.5 An assessment of potential Part 1 claims arising as a result of the scheme has been undertaken. However, the true / eventual cost of part 1 claims is notoriously difficult to assess and these figures will be kept under review by the Project Team.

## 10.0 Background and Options

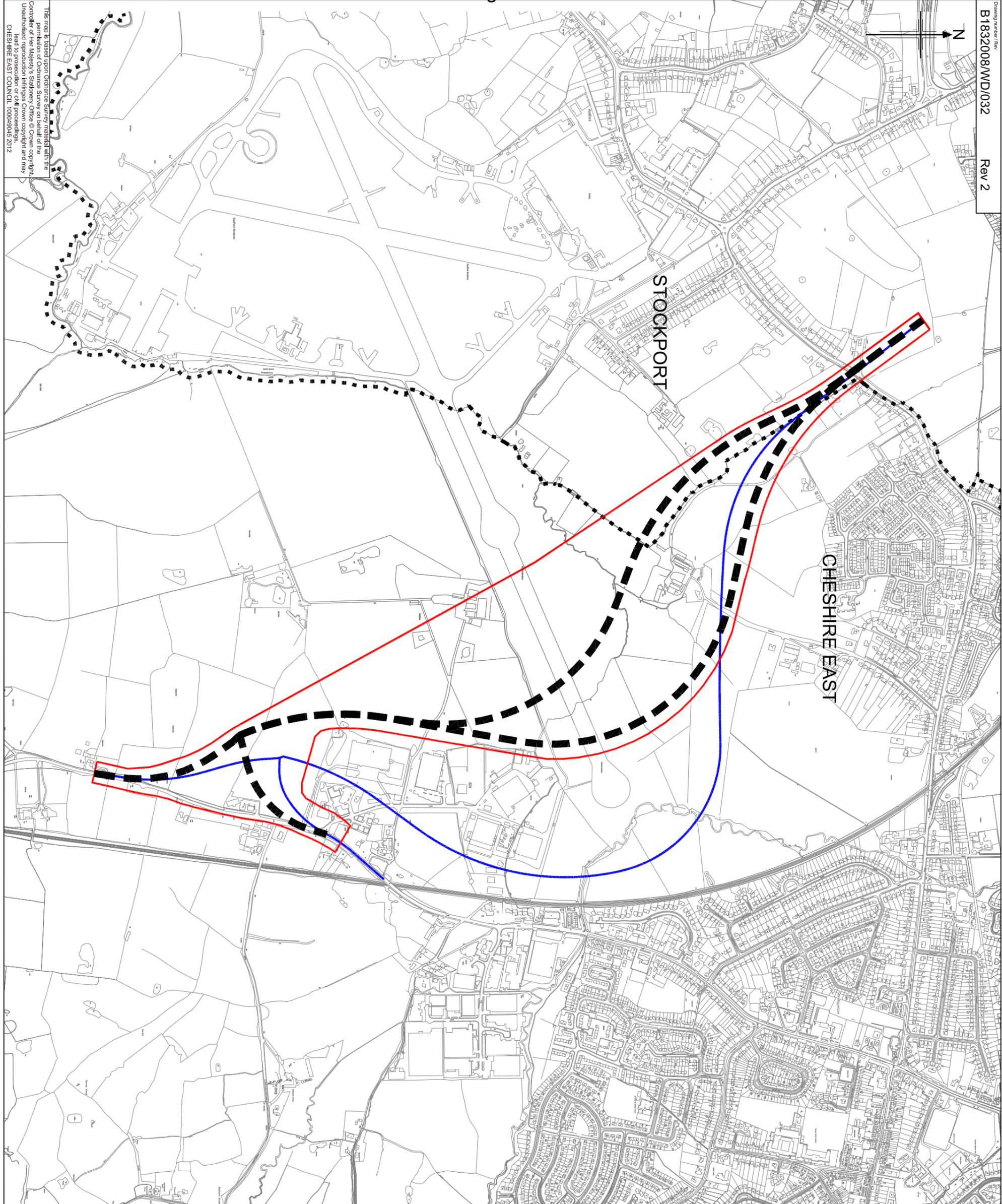
- 10.1 A protected route currently exists for PRR. Following the closure of BAe Systems, Woodford, work is being undertaken by the Council to identify preliminary options for a more direct alignment for PRR that will have a stronger business case and lower capital cost.
- 10.2 Following the Cabinet meeting of September 2012, the Council has commissioned consultants to undertake the necessary work to support the investigation, development and assessment of a new preferred route for PRR. This includes:
- Preliminary Investigation and Scoping;
  - Data Gathering;
  - Option Development (DMRB Stages 1 and 2);
  - Traffic Modelling and Option Appraisal; and
  - Technical Appraisal Report and Preferred Route proposal.
- 10.3 The Project programme and plan will be taken for approval at the Executive Management Board prior to commencement of the next stages of work.
- 10.4 Once a new preferred route has been defined the route protection on the former HA alignment can be removed – allowing for any land owned held by the council to be used for other purposes or sold.
- 10.5 Stockport MBC is a major stakeholder in the scheme because the part of the Scheme is within their boundaries and the scheme connects to the A6MARR. As such it is essential that as the scheme develops it reflects the views of Stockport Council. A senior representative of Stockport MBC has therefore been invited on to the project board. For information the local junctions proposed on the A6MARR scheme are shown in **Appendix D**.
- 10.6 The proposed Governance Structure is included in **Appendix B**.
- 10.7 The scheme is being progressed in line with the Design Manual for Roads and Bridges (DMRB) and to support future funding opportunities it is also compliant with the Department for Transport's (DfT) Web based Transport Appraisal Guidance (WebTAG).
- 10.8 Current activities are focused on the Stage 1 DMRB Assessment of the Route Options and early engagement with the SEMMMS team has enabled the Data Gathering and the Traffic & Economic Appraisal to progress. Following confirmation of the timescales associated with the Local Plan, public consultation on route options will be undertaken in early 2014.
- 10.9 As part of the scheme development process, the outputs from the historic SEMMMS strategy are being reviewed to ensure that they are still relevant including scheme objectives, problems and opportunities. This work is being undertaken to ensure that a road based scheme is still the correct measure to address the identified problems.

- 10.10 In addition, an initial review of the appropriateness of the SEMMMS outputs is being undertaken using the DfT's Early Assessment Sifting Tool (EAST). This will ensure best practice and help mitigate future risks as the scheme develops.
- 10.11 Following the identification of a revised preferred route the next steps to deliver the scheme are to undertake preliminary design and progress the scheme through the necessary statutory processes including Planning, Side Roads Orders and Compulsory Purchase Orders.
- 10.12 Because of their knowledge of the scheme and in order to maintain continuity, it is considered that the current consultants are best placed to deliver this service most efficiently. It is recommended that the Head of Environmental Protection and Enhancement identify the necessary fee and commission the current consultants to develop the scheme. The scope of these works is adequately covered in the Highways Services Contract with Ringway Jacobs.
- 10.13 At the northern end of the scheme, the Council is working closely with the SEMMMS project team to develop an acceptable solution to the interface of the proposed PRR with the SEMMMS scheme at Chester Road. Details of the indicative arrangement are included in a report taken to cabinet on 7 May 2013.

## **11.0 Access of Information**

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

Name: Paul Griffiths  
Designation: Principal Transportation Officer  
Tel No: 01270 686353  
Email: [paul.griffiths@cheshireeast.gov.uk](mailto:paul.griffiths@cheshireeast.gov.uk)



Notes:  
 1. All dimensions in metres unless stated otherwise

- Key:
- Local Authority Boundary
  - Extent Macclesfield Local Plan Protected Route
  - Draft Potential Route Options
  - Corridor of Interest for Investigation of Potential Route Options



Rev	Rev. Date	Purpose of revision	Drawn	Checked	Rev'd	Apprv'd
2	OCT 13	AMENDMENTS FOLLOWING EES REVIEW	MB	AG	AD	AD
1	OCT 13	INCLUSION OF NEW ROUTE OPTION	MB	AG	AD	AD
0	SEP 13	INFORMATION	EH	AG	AD	AD

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**Cheshire East Council**

Client: POYNTON RELIEF ROAD  
 Project: CORRIDOR OF INTEREST

Drawing title: CORRIDOR OF INTEREST  
 Drawing size: 1:10,000 @ A3  
 Scale: 1:10,000 @ A3  
 Jacobs No: B1832008  
 Client No:  
 Drawing number: B1832008/MD/032  
 Rev: 2

FOR INFORMATION DO NOT SCALE

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## Poynton Relief Road –Meetings and Governance Structure

PROGRESS MEETINGS	
Attendees	Sophie Kelly, Martin Davies, Andrew Drake, Peter Kirk (Optional) – with input from Simeon Butterworth, and Team Leaders where necessary.
Frequency	Monthly
Agenda	Project level discussion (programme, change, spend etc..)

PROJECT BOARD MEETINGS	
Attendees	Simeon Butterworth, Peter Kirk, Andrew Ross, Paul Griffiths, Jim McMahon (Stockport MBC) – with input from the project team (Sophie Kelly, Martin Davies and Andrew Drake).
Frequency	Monthly
Agenda	High level project discussion with any exceptions from the progress meeting escalated by the project team. Any key decisions will be taken to Strategic Programme Board Meetings.

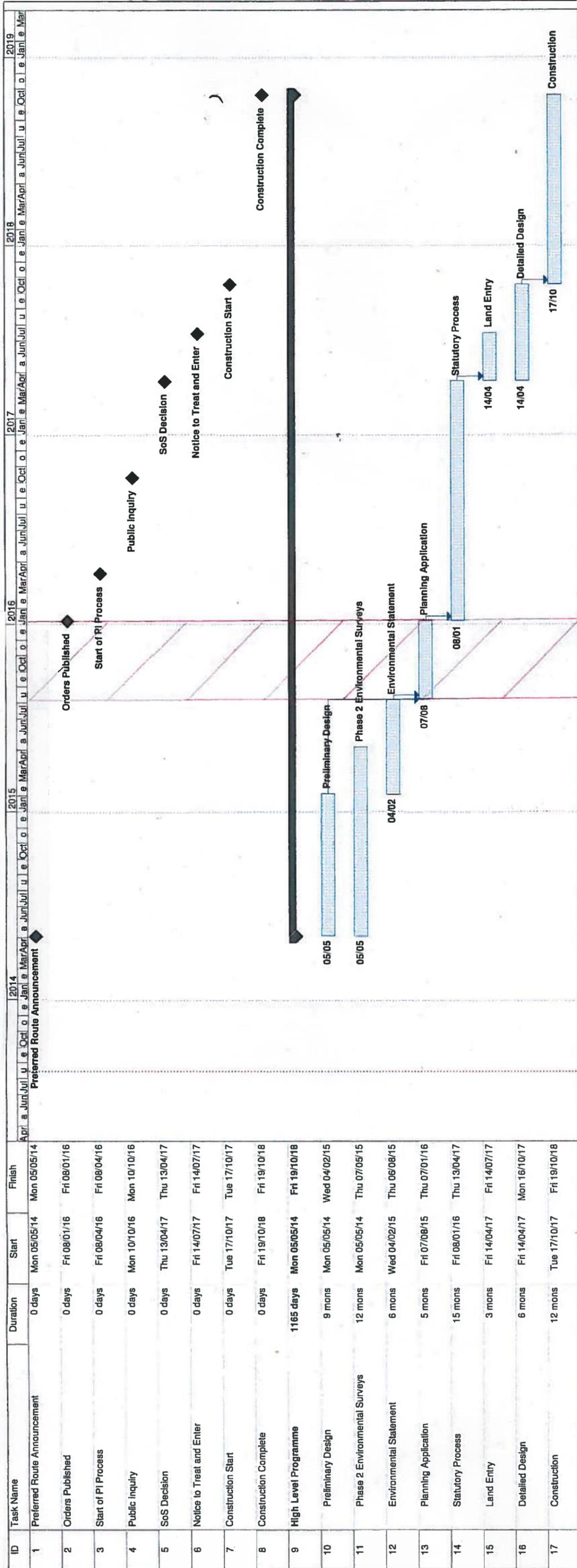
STRATEGIC PROGRAMME BOARD MEETINGS	
Attendees	Simeon Butterworth, Peter Kirk, Andrew Ross, Kevin Melling, Pryce Evans – with input from WPRR Project Manager (Andrew Drake).
Frequency	Monthly
Agenda	Discussion regarding live and pipeline CEC schemes. As well as key decisions, the meetings will review programme and budget as highlighted on the projects 'highlights report' that needs to be completed in advance.

POYNTON BYPASS – GOVERNANCE STRUCTURE			
Project Role	Name	Title	Organisation
<b>PROJECT BOARD</b>			
Senior Responsible Owner (SRO)	Andrew Ross	Strategic Highways and Infrastructure Manager	Cheshire East Council
Employer's Project Director	Paul Griffiths	Principal Transport Officer	Cheshire East Council
Senior Supplier	Peter Kirk	Divisional Director	Jacobs
Ringway-Jacobs Commercial Manager	Pryce Evans	Delivery Project Manager	Cheshire East Highways
Framework Manager	Simeon Butterworth	Divisional Director	Jacobs
	Jim McMahon		Stockport MBC

PROJECT DELIVERY – CORE TEAM			
Employer's Project Sponsor	Sophie Kelly	Principal Transport Officer	Cheshire East Council Highways
Employer's Assistant Project Sponsor	Martin Davis		Cheshire East Council Highways
Delivery Project Manager	Andrew Drake	Principal Engineer	Jacobs

Assets	Peter Hall		Cheshire East Council
Spatial Planning	Stuart Penny	Northern Area Manager (Spatial Planning)	Cheshire East Council
Economic Development and Regeneration	David McGifford	Regeneration Officer	Cheshire East Council
Employer's traffic advisor	Andy Sellors		Cheshire East Council
Highways Lead	Adam Godbold	Engineer	Jacobs
Traffic and Economics Lead	Keith Barber	Principal Engineer	Jacobs
Traffic modelling	Andrew Spittlehouse	Principal Engineer	Jacobs
Environmental Coordinator	Simon Bird	Environmental Coordinator	Jacobs
<b>PROJECT DELIVERY TEAM</b>			
Legal	Tessa Leonard	Senior Lawyer	Cheshire East Council
Legal	Elaine Woods	Lawyer Highways	Cheshire East Council
Finance	Joanne Wilcox	Corporate Finance Lead	Cheshire East Council
Land	Mandy Clarke	Highway Land Officer	Cheshire East Council
Procurement and Finance Manager	TBC		Cheshire East Council
Employer's Highway Advisor	Rob Welch	Traffic & Road Safety Team Leader	Cheshire East Highways
Employer's Environmental Health Advisor	Phil Mason	Senior Enforcement Officer	Cheshire East Council
Employer's Ecological Advisor	James Baggaley	Nature Conservation Manager	Cheshire East Council
Employer's Air Quality Advisor	Rebecca Shorrocks	Enforcement Officer- Air Quality	Cheshire East Council
Employer's Public Transport Advisor	Jenny Marston	Policy & Accessibility Manager	Cheshire East Council
Research and Intelligence	James Rounce	Senior Research Analyst	

# High Level Programme



**Note:**

This programme does not include timescales for securing funding as the process is currently unknown. Therefore a 'Top 5 Risk' (programme). Funding will need to be in place prior to publication of orders.

**Key:**



Period in which funding may be secured.

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## CHESHIRE EAST COUNCIL

### Cabinet

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<b>Date of Meeting:</b>	12 <sup>th</sup> November 2013
<b>Report of:</b>	Director of Economic Growth and Prosperity
<b>Subject/Title:</b>	Disposal of Land at Remenham, Chapel Lane, Wilmslow (Forward Plan Ref. CE 13/14-59)
<b>Portfolio Holder:</b>	Councillor Don Stockton, Housing, Planning, Economic Development and Regeneration

---

#### 1.0 Report Summary

- 10.1 The Council has a robust strategy in place to deliver positive, targeted and sustainable development to benefit all the people of Cheshire East. It will deliver 27,000 new houses, 20,000 new jobs, and the infrastructure needed for this to happen, and will continue to support Cheshire East's position both as the economic powerhouse of the North West, and as a beautiful and prosperous place to live.
- 10.2 As part of this approach, the Council is determined to use its asset base to assist housing supply and create jobs. The new East Cheshire Engine of the North development company will be the primary vehicle in this. This report seeks approval for the disposal of the Remenham site in Wilmslow to generate a capital receipt and for housing supply, led by Engine of the North.

#### 2.0 Recommendations

- 2.1 That the Council-owned land at Remenham, Chapel Lane, Wilmslow be disposed of on terms and conditions to be determined by the Director of Economic Growth and Prosperity and Interim Head of Legal Services.
- 2.2 That if the officers conclude that any land within the property is open space, the Council's intention to dispose of that land be advertised and the Portfolio Holder for Prosperity and Economic Growth be authorised to consider any objections received.

#### 3.0 Reasons for Recommendations

- 3.1 The property has been declared surplus by the former service occupiers.
- 3.2 The Council has a responsibility and a commitment to using its asset base proactively to facilitate economic growth and housing supply.

#### **4.0 Wards Affected**

Wilmslow West and Chorley

#### **5.0 Local Ward Members**

Cllr Gary Barton, Cllr Wesley Fitzgerald

#### **6.0 Policy Implications**

6.1 The disposal of surplus properties is consistent with the Council's Corporate Asset Management Plan and Corporate Service Plan and will produce capital receipts.

6.2 This disposal will enable the Council to use its land and property assets to deliver new homes.

#### **7.0 Financial Implications**

7.1 Disposal of the property will save on holding costs in the revenue account and generate a capital receipt for the Council.

#### **8.0 Legal Implications**

8.1 Section 123 of the Local Government Act 1972 provides that a local authority may dispose of land subject to its obtaining the best consideration that can reasonably be obtained.

8.2 In transferring assets, the Council must behave prudently to fulfil its fiduciary duty.

8.3 Section 123 of the Local Government Act also requires the advertisement of any open land before its disposal and consideration of any objections received following such advertisement.

8.4 If the property is sold the Council will need to arrange for the revocation of the off-street parking places order in relation to the Remenham car park.

#### **9.0 Risk Management**

9.1 It is important that there is certainty about the development outcome at the Remenham site. The potential for land banking by a developer will be minimised by allowing the Council to reacquire the site if development does not commence within a certain timeframe. There will be a condition to ensure this in the agreement between the Council and the purchaser.

9.2 A leading residential property agent, Colliers International, has been appointed to work with East Cheshire Engine of the North to advise the

Council and market the site through open market informal tendering. The marketing exercise and the subsequent disposal will include two specific provisions on (a) Developer Obligations - requiring the development to be undertaken and (b) Overage provision - to protect the interests of the council should the site be sold on and/or the viability improves significantly.

## **10.0 Background and Options**

- 10.1 The Council has a robust strategy in place to deliver positive, targeted and sustainable development to benefit all the people of Cheshire East. It will deliver 27,000 new houses, 20,000 new jobs, and the infrastructure needed for this to happen, and will continue to support Cheshire East's position both as the economic powerhouse of the North West, and as a beautiful and prosperous place to live.
- 10.2 As part of this approach, the Council is determined to use its asset base to assist housing supply and create jobs. The new East Cheshire Engine of the North development company will be the primary vehicle in this. A three-year Business Plan is currently being approved and one of the early priorities is to take forward the disposal of the Remenham site in Wilmslow on the open market to generate a capital receipt and for housing supply.
- 10.3 The Remenham site extends to approximately 1.92 acres (0.77 ha) and is situated in a residential area (see site plan).
- 10.4 It is located in Wilmslow, accessed off Chapel Lane and consists of two buildings (a three storey former house built c1870 and typical 1960s institution building) and hard and soft surface areas. The site has been allocated within the current local plan for residential use.
- 10.5 The developable area of the site is restricted to approximately 1 acre due to a number of Tree Preservation Orders (TPO's) and a large sewer drain which runs through the centre of the site.
- 10.6 It is intended to complete this disposal and generate the capital receipt within the early part of financial year 2014/15.
- 10.7 Development of the Remenham site is identified as a key project within the East Cheshire Engine of the North Business Plan.

## **11.0 Access to Information**

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

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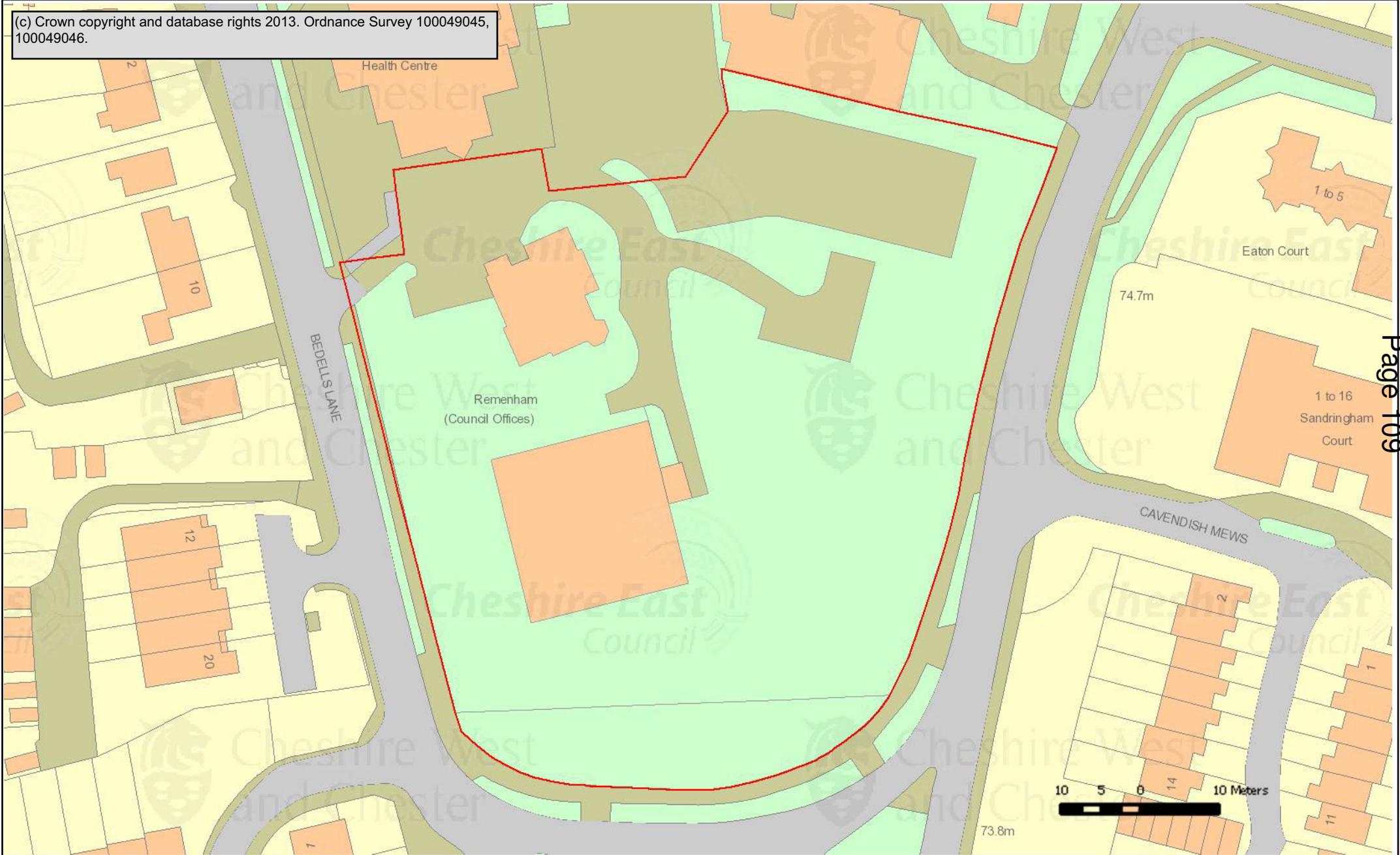
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## CHESHIRE EAST COUNCIL

### Cabinet

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<b>Date of Meeting:</b>	12 <sup>th</sup> November 2013
<b>Report of:</b>	Peter Bates, Chief Operating Officer
<b>Subject/Title:</b>	Re-Procurement of Office Supplies (Paper, Stationery and Print Consumables) (Forward Plan Ref. CE 13/14-60)
<b>Portfolio Holder:</b>	Councillor J P Findlow, Corporate Policy

---

#### 1.0 Report Summary

- 1.1 Cheshire East Council (CEC) currently spends circa £200,000 per annum on Paper, Stationery and Print Consumables.
- 1.2 There are currently two separate contracts in place: General Stationery supplies, and Print Consumables. Both of these contracts expire 31<sup>st</sup> January 2014.
- 1.3 It is proposed a new contract term be procured for a period of two years with two extension periods both of 12 months, i.e. from 1<sup>st</sup> February 2014 until 31<sup>st</sup> January 2016 with possible extensions until 31<sup>st</sup> January 2017 and 31<sup>st</sup> January 2018 respectively.” In total the proposed contract value over the full four years is estimated to be in the region of £800,000.
- 1.4 The Corporate Procurement Unit have researched the procurement options available for the re-procurement of Office Supplies. The most expedient, cost effective route is to utilise a public sector framework and the most appropriate route is to undertake a mini competition using the Government Procurement Service (GPS) framework for Office Supplies RM781.
- 1.5 It is anticipated that significant savings will arise from this procurement exercise but it is recognised that further savings might be achieved by sourcing cheaper alternative products or simply by the Council consuming less. Initiatives to support this aim will be explored with a view to reducing spend further in this area.

#### 2.0 Recommendations

- 2.1 That Cabinet approve the procurement route of utilising a public sector framework agreement managed by Government Procurement Service (GPS) by undertaking a mini competition and e-auction to

secure both savings and value for money in its office supplies provision for the Council for the period 2014 to 2018.

- 2.4 That Cabinet delegate authority to the Chief Operating Officer in consultation with the Portfolio Holder for Corporate Policy to award a single contract to the highest scoring bidder following a legally compliant procurement exercise, and subsequently enter into a contract; specification to include a quality element, seeking bids which comply with the core requirements of:

- Lodged card payment capability
- Internally agreed MI specification
- Twice weekly consolidated delivery

### **3.0 Reasons for Recommendations**

- 3.1 To ensure that the council obtains maximum value for money and to ensure a robust, compliant procurement procedure is undertaken.
- 3.3 To ensure that future procurement and contracts for these services comply with the Public Contracts Regulations 2006 and the Council's Finance and Contract Procedure Rules.

### **4.0 Wards Affected**

- 4.1 All

### **5.0 Local Ward Members**

- 5.1 All

### **6.0 Policy Implications**

- 6.1 The recommendations within this report support the Council in its general operational activity. Green products will be available and purchased wherever they offer value for money and sustainable benefits to the council.
- 6.2 The new contract will be for use by Council Corporate depts. and any associated companies whom are legally able to use these arrangements.

### **7.0 Financial Implications**

- 7.1 All services within the Council are able to purchase supplies from this corporate contract and these will be purchased from individual service budgets.
- 7.2 The annual current spend of £200,000 p.a. is broken down as approximately £130,000 on Office Supplies and paper and

approximately £70,000 on print consumables and electronic office supplies. Targeted cost savings for the e-auction procurement exercise (in total) is around 20% which on current spending will equate to around £40,000 per year.

## **8.0 Legal Implications**

- 8.1 The existing contracts for Stationery and Print Consumables will expire on 31<sup>st</sup> January 2014 and cannot be extended.
- 8.2 Given the contract value for the new contract, the council will need to re-procure in accordance with the Public Contract Regulations 2006 and the Councils own Finance and Contract Procedure Rules.
- 8.3 As the proposed procurement is utilising a compliant public sector (GPS) framework, the council is able to undertake its own mini competition and call-off its requirements.
- 8.2 As these are supplies contracts there are no TUPE issues to be considered.

## **9.0 Risk Management**

- 9.1 Failure to re-procure a new contract for these supplies by end January 2014 would potentially breach Public Contract Regulations 2006 and the Councils Finance and Contract Procedure Rules.

## **10.0 Background**

- 10.1 Cheshire East Council (CEC) currently spends circa £200,000 per annum on Paper, Stationery and Print Consumables.
- 10.2 There are currently two separate contracts in place, one is for general Stationery supplies, (Office Depot) and the other is for Print Consumables, (Supplies Team). Both of these contracts expire 31<sup>st</sup> January 2014.
- 10.3 It is proposed a new contract term be procured for a period of two years with two extension periods both of 12 months, i.e from 1<sup>st</sup> February 2014 until 31<sup>st</sup> January 2016 with possible extensions until 31<sup>st</sup> January 2017 and 31<sup>st</sup> January 2018 respectively.” In total the proposed contract value is estimated to be in the region of £800,000.
- 10.4 Where product differentiation is limited price becomes the most significantly achievable benefit. As these markets respond to volume and are price not quality sensitive, the aggregation of print consumables and stationery is logical and providers on the framework can supply both commodity groups.

- 10.5 Where the value of any contract is above the EU threshold for supplies/services of £173,934, public sector bodies either have to openly advertise their requirements in Europe or are able to utilise Public Sector collaborative Frameworks, where they are suitable and compliant.
- 10.6 The Corporate Procurement Unit have researched the procurement options available for the re-procurement of Office Supplies. The most expedient, cost effective route is to utilise a public sector framework and the most appropriate route is to undertake a mini competition using the Government Procurement Service (GPS) framework for Office Supplies RM781.
- 10.7 This will ensure that a compliant contract can be awarded and the necessary back office functions, (i.e. electronic catalogues) be put in place prior to the expiry of the current contracts. This particular framework offers the facility to run an e-auction for the core products required helping to further securing value for money; this will be conducted as a free of charge service by GPS.
- 10.8 Recent e-auctions of stationery and office suppliers have produced high levels of savings mainly due to aggressive competition between the dominant market players bidding to retain market share in a slowly reducing market place.
- 10.9 The existing stationery provision shares an electronic market place with previous bid partners including the DVLA; therefore a range rationalisation and variety reduction exercise will be conducted prior to auctioning. We shall also seek to ensure we have our own bespoke e-market place allowing the continual use of the existing non-core catalogue approval process.
- 10.10 Stationery and print consumables markets respond to volume as buying power and stock rotation are important; this means it is likely to result in significantly lower prices if procured in this way.
- 10.11 Whilst it is anticipated that significant savings from this procurement exercise will be realised there is potential for further savings simply by the Council consuming less. For example, the resurrection of the "Think Twice" initiative, a moratorium on spending in this area or the introduction of centralised supply units might be beneficial in reducing spend on stationery whilst a defined commitment to achieving the "paperless office" could significantly reduce paper usage.
- 10.12 It is recognised that such initiatives will require a culture shift and that this will not be achieved overnight but it is anticipated that if such measures are introduced now the scale of spend in this area might be significantly less by the time the contract for stationery and print consumables is reviewed i.e. January 2016.

## 11.0 Access to Information

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

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# CHESHIRE EAST COUNCIL

## Cabinet

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**Date of Meeting:** 12<sup>th</sup> November 2013  
**Report of:** Chief Operating Officer  
**Subject/Title:** 2013/2014 Mid-Year Review of Performance  
**Portfolio Holders:** Councillor P Raynes, Finance / Councillor B Moran, Performance

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### 1.0 Report Summary

- 1.1 Cheshire East is the third largest Council in the Northwest of England, responsible for over 500 services, supporting over 370,000 local people. Annual spending is approximately £750m. The complexity of customer demands and the size of the organisation make it very important to manage performance and control expenditure to ensure the best delivery of outcomes whilst ensuring value for money.
- 1.2 The report, attached as **Annex 1**, gives summary and detailed information about the Council's financial and non-financial performance at the mid-year stage of 2013/2014. There is improvement in the financial position since the first quarter, and there is substantial improvement compared to this position in previous years. The Corporate Leadership Board is currently working on addressing the small (1.3%) deficit forecast in the report.
- 1.3 As part of the overall process for managing the budget, and in accordance with the Council's Finance Procedure Rules, it is important to ensure that correct authority is provided for changes which may be necessary during the year. Changes can occur where additional spending is required on specific revenue items or capital projects, the majority of which are being funded from external sources as in the cases in this report. The report therefore identifies where any approvals are required for such supplementary estimates or virements.
- 1.4 The information in **Annex 1** is set out in three sections:

**Section 1 Summary of Council Performance**, brings together the impact that service performance, the change management programme and financial performance are having on the 5 Outcomes in the Council's 3 Year Plan.

**Section 2 Financial Stability**, provides an update on the overall Financial Stability of the Council. It demonstrates how spending in 2013/2014 is being adequately funded, including the positions on overall Service budgets, Grants, Council Tax and Business Rates, Treasury Management, centrally held budgets, and the management of the Council's Reserves.

**Section 3 Workforce Development**, provides a summary of the key issues relating to the Council's Workforce Development Plan.

## **2.0 Recommendations**

2.1 Cabinet is requested to note and comment as appropriate on the following issues:

- the summary of performance against the Council's 5 key outcomes (**Section 1**);
- the projected Service revenue and capital outturn positions, overall financial stability of the Council, and the impact on the Council's general reserves position (**Section 2**);
- the delivery of the overall Capital Programme (**Section 2, paragraphs 122 to 124 and Appendix 4**);
- reductions in the approved capital programme (**Appendix 5**);
- Supplementary Capital Estimates and Virements up to £250,000 In accordance with Finance Procedure Rules (**Appendix 6a**);
- Treasury Management investments and performance (**Appendix 7**);
- the Council's invoiced debt position (**Appendix 9**);
- Workforce Development and staffing issues (**Section 3**).

2.2 Cabinet is requested to approve:

- Supplementary Capital Estimates and Virements over £250,000 but under £1m in accordance with Finance Procedure Rules (**Appendix 6b**);
- Supplementary Revenue Estimates to be funded by additional specific grant (**Appendix 8**).

2.3 Cabinet is requested to recommend that Full Council approve:

- Supplementary Revenue Estimate of £46,500 for development of Dragons Den initiatives to be funded from General Reserves (**Section 3, paragraph 151**).

## **3.0 Reasons for Recommendations**

3.1 Performance information plays a vital role in supporting members and officers in the understanding of the impact of Council activity. Quarterly published reports allow the Council to celebrate achievement, understand relative performance and address issues of underperformance.

3.2 In accordance with good financial management, Members receive quarterly reports on the financial performance of the Council. Finance Procedure Rules set out the requirements for financial approvals by Members, and relevant recommendations are contained in this report to ensure such decisions are made in the context of the overall Council budget.

#### **4.0 Wards Affected**

4.1 All

#### **5.0 Local Ward Members**

5.1 All

#### **6.0 Policy Implications**

6.1 Performance management supports delivery of Council policies including carbon reduction and health. The projected outturn position, ongoing impacts in future years, and the impact on general reserves will be fed into the assumptions underpinning the 2014/2017 Medium Term Financial Strategy.

#### **7.0 Financial Implications**

7.1 The Council's financial resources are aligned to its priorities and used to deliver outcomes for local communities. Monitoring performance helps to ensure that resources are used effectively and that business planning and financial decision making are made in the context of performance.

#### **8.0 Legal Implications**

8.1 Although the Council is no longer required to report to Government on its performance against measures in the National Indicator Set, monitoring and reporting on performance is essential if decision-makers and the public are to be assured of adequate progress against declared plans and targets.

#### **9.0 Risk Management**

9.1 Performance and risk management are part of the management processes of the Authority. Risks are captured both in terms of the risk of underperforming and the risk to the Council in not delivering its ambitions for the community of Cheshire East. Risks identified in this report will be used to inform the Corporate Risk Register.

9.2 Financial risks are assessed and reported on a regular basis, and remedial action taken if and when required. Risks associated with the achievement of the 2013/2014 Budget and the level of general reserves will be factored into the 2014/2015 Financial Scenario, Budget and Reserves Strategy.

## **10.0 Background**

10.1 The Council's quarterly reporting structure provides forecasts of a potential year-end outturn. The forecasts in the report highlight achievements against outcomes and provide an indication of potential risks at this stage in the year. At the Mid Year stage, an overspend of £3.5m (1.3%) is projected against a budget of £260.3m. Portfolio Holders and the Corporate Leadership Board will focus on these forecasts to avoid any impact on the Council's general reserves.

10.3 In 2012/2013 the overall revenue budget was slightly underspent despite the mid-year forecasts of significant overspending. This increases the confidence that spending can be managed within budget in 2013/2014.

## **11.0 Access to Information**

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

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# **Mid-Year Review of Performance 2013 / 2014**

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**November 2013**



# Introduction

The Council produces quarterly performance reports as part of the annual performance reporting framework set out in the Finance and Contract Procedure Rules. This report looks at progress in achieving the Council's 3 Year Plan (2013 to 2016) during the period April to September 2013.

Details are included of the Council's financial and non-financial performance and the report also seeks Member approval for Supplementary Estimates and Virements.

An overview and summary financial table are provided at the beginning of the report for quick reference. The three main sections of the report are:

**Section 1** of the report brings together the impact that service performance, the change management programme and financial performance are having on the 5 Outcomes in the Council's 3 Year Plan. The section highlights key aspects of service performance and significant exceptions against the change programme and capital programme designed to deliver the Outcomes. It considers the key financial pressures which the Council's Services are facing, and the proposed remedial measures identified by Services to mitigate these pressures.

**Section 2** provides an update on the overall Financial Stability of the Council. This includes service revenue budget issues, grants received, Council Tax and Business Rates, the Council's overall capital programme and its funding, treasury management, centrally held budgets, and the management of the Council's reserves. The figures included in this section reflect the original budget approved by Council in February 2013 adjusted for approved Supplementary Estimates and virements, including those requested in the report.

**Section 3** provides a summary of the key issues relating to the Council's workforce development plan and change projects linked to staff resources within the Council.

A principle underpinning the Council's budget is to give real value for money. The Council continues to provide detailed and transparent information about its use of public money both in this report and its budget processes.

Appendices are provided as follows:-

- **Appendix 1** shows the 3 year Council Plan.
- **Appendix 2** explains changes to the Revenue Budget since the First Quarter Review which have been authorised or require authorisation via this quarterly report.
- **Appendix 3** shows the latest position on the Corporate Grants register.
- **Appendix 4** summarises revised in-year Capital budgets and the revised forecasts of total Capital Programme expenditure and its funding.
- **Appendix 5** lists reductions to the total approved budgets of projects within the Capital programme.
- **Appendices 6a and 6b** list requests for Supplementary Capital Estimates and Virements.
- **Appendix 7** provides details of Treasury Management investments.
- **Appendix 8** lists requests for Supplementary Revenue estimates funded by Specific Grants.
- **Appendix 9** analyses the position on Outstanding Debt.

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## 2013/2014 Revenue Outturn Forecast at Mid-Year Year Review

2013/2014 Mid-Year Review <b>(GROSS Revenue Budget £643.8m)</b>	Revised Budget (NET) £m	Forecast Outturn Position £m	Current Forecast Over / (Underspend) £m	Current Forecast Over / (Underspend) % Change	For further information please see the following sections
<b>Commissioning Services</b>					
Children	48.8	48.5	-0.3	-0.6%	Section 1 - Paragraphs 57- 58
Adults	97.7	98.5	0.8	0.8%	Section 1 - Paragraphs 87-90
Public Health	0.3	0.3	0.0	-	Section 1 - Paragraph 94
Environmental Protection & Enhancement	38.1	38.4	0.3	0.8%	Section 1 - Paragraphs 41-43, 64-65 and 69-70
Public Protection & Enforcement	-0.3	1.0	1.3	#	Section 1 - Paragraphs 16-18, 61 and 80
Economic Growth & Prosperity	6.4	6.2	-0.2	-3.1%	Section 1 - Paragraph 76
Resilient Local Communities	27.7	27.3	-0.4	-1.4%	Section 1 - Paragraph 13
<b>Commissioning Support</b>					
Chief Operating Officer (incl. Facilities Management)	18.1	18.8	0.7	3.9%	Section 1 - Paragraphs 30-34
Commercial Strategy, Bus.Improvement & Performance	19.6	19.8	0.2	1.0%	Section 2 - Paragraph 96
Organisational Development	4.6	4.3	-0.3	-6.5%	Section 2 - Paragraph 96
Monitoring Officer	1.7	1.7	0.0	-	Section 2 - Paragraph 96
Governance & Democratic Services	4.5	4.5	0.0	-	Section 2 - Paragraph 96
Cross Cutting (incl. Management Review)	-0.6	0.6	1.2	#	Section 3 - Paragraphs 157-160
<b>Total Services Net Budget</b>	<b>266.6</b>	<b>269.9</b>	<b>3.3</b>	<b>1.2%</b>	# % change not shown against negative net budgets
<b>CENTRAL BUDGETS</b>					
Specific Grants	-22.1	-23.4	-1.3		Section 2 - Paragraphs 101-105
Capital Financing	11.9	11.9	0.0		Section 2 - Paragraph 130
Contingencies	4.2	4.2	0.0		Section 2 - Paragraphs 134-135
LGO Pay Award (1%)	0.0	1.0	1.0		Section 2 - Paragraph 138
Relocation costs repayment	0.0	0.5	0.5		Section 2 - Paragraph 135
Invest to Save Reserve	-0.3	-0.3	0.0		
<b>Total Central Budgets</b>	<b>-6.3</b>	<b>-6.1</b>	<b>0.2</b>	<b>3.2%</b>	
<b>TOTAL NET BUDGET</b>	<b>260.3</b>	<b>263.8</b>	<b>3.5</b>	<b>1.3%</b>	<b>Improvement of £0.2m from Quarter 1</b>
	Planned Contribution 2013/2014 £m	Forecast Variance Quarter 1 £m	Forecast Variance Quarter 2 £m	Impact on reserves Quarter 2 Forecast £m	
Impact on Reserves	-0.5 *	-3.7	-3.5	-4.0	
*Reduced from nil by Supplementary Revenue Estimates approved at FQR					
General Reserves Balance	2013/2014 Budget £m		Quarter 2 Forecast £m		
Opening Balance April 2013	13.2	Actual	19.0		} Section 2 - Paragraphs 142-147
2013/2014 Impact on Reserves (see above)	0	Forecast	-4.0		
Closing Balance March 2014	13.2	Forecast	15.0		

# Overview of Mid-Year Performance

## ACHIEVING THE COUNCIL'S FIVE OUTCOMES

Cheshire East Council provides more than 500 services, supporting over 370,000 residents, and over 17,500 businesses.

### 1 ~ Our local communities are strong and supportive

- Over 90% of users for the Disability Intervention Bureau reported they had more choice and control in response to advice provided.
- 4,000 Community Assets have now been uploaded to the Geographical Information System supporting residents to access community activities and assistance.
- A successful Crime Reduction Plan bid with other public bodies.
- Over 1,000,000 hits have been received at [www.cheshireeast.gov.uk](http://www.cheshireeast.gov.uk)

### 2 ~ Cheshire East has a strong and resilient economy

- A long term plan for economic growth projects and promoting Cheshire East to investors has been developed.
- Additional funding has been secured for highway schemes, and performance in maintaining roads has now exceeded the target to fill 50,000 pot holes.

### 3 ~ People have the life skills & education they need in order to thrive

- Key Stage 2 performance has exceeded national averages.
- Expression of interest for the University Technical College submitted to Government.
- Improving recruitment and retention of social workers.

### 4 ~ Cheshire East is a green and sustainable place

- On track to achieve a 25% reduction in carbon emissions.
- Successful retention of 5 Green Flag awards by Streetscape service.
- Moving forward with the Major Change Project for Waste.

### 5 ~ People live well and for longer

- Proactive activity has reduced homelessness.

- Challenge fund established to deliver more affordable housing.
- Increased participation in sport with over 1,000,000 visits this year.

## FINANCIAL STABILITY

Cheshire East Council has set an annual budget in excess of £750m.

- The Council is among the top third of Unitary Councils in terms of **Council Tax collection**. Over 99% of Council Tax and Business Rates are collected within three years.
- **Investment income** is £33,000 higher than budget. Average interest rate earned on investments (0.4%) is in line with the London Inter Bank 7 day rate
- **Service revenue budget** is forecast to overspend by 1.2% (£3.3m).
- **Central Budgets** – a £0.2m overspend is forecast from the nationally negotiated Pay Award and planned repayment of relocation costs, partly offset by increased grants.
- **Net Revenue Outturn** is projected to be £3.5m more than the Revised Net Budget of £260.3m. This is an improvement of £0.2m from Quarter 1.
- **General Reserves** would be expected to decrease this financial year by £4.0m to £15.0m without further mitigation. This is still more than the revised net budget due to the impact of the improved 2012/2013 outturn.
- The revised **capital budget of £90.3m** for 2013/2014 is forecast to underspend by £7m.
- Total outstanding **Debt** (excluding local taxation) is £7m. £2.8m of debt is over 6 months old, but a bad debt provision of £2.9m is available to meet potential write-offs.

# 1. Summary of Council Performance

## Introduction

1. Cheshire East Council is responsible for delivering more than 500 local public services across an area of over 1,100km<sup>2</sup> for over 370,000 residents. The budget to deliver these services in the period April 2013 to March 2014 is over £750m, which is raised from a combination of local taxes, national taxes (in the form of Government Grants) and payments direct from service users. In terms of spending power per head, Government figures highlight the impact of different levels and sources of funding on total council spending:

Spending Power per Head Comparisons 2013/2014			
	Cheshire East	Rural East Riding of Yorkshire	Urban Liverpool
	£	£	£
Grants	317	405	955
Council Tax	439	382	251
Total	756	787	1,206

2. The Council's 3 year plan, which was agreed by Council on 28<sup>th</sup> February 2013 (attached at **Appendix 1**), has five outcomes that will focus service delivery in the medium term. This section of the report highlights progress towards achieving each of the five outcomes.
3. This report reflects activity that has taken place mostly in the period July 2013 to September 2013 including progress against the Council's change programme. Commentary is also provided on the financial impacts (both revenue and capital) of this activity.

## 1 ~ Our local communities are strong and supportive

4. Getting people involved in activity in their local area will support this outcome. Activities that increase interest in local democracy, support safety and generate local pride will also help to promote greater self reliance and responsibility towards the local area.
5. The commissioning of Prevention and Early Intervention services in Adult Social Care is delivering results by ensuring residents of Cheshire East are supported in accessing local community activities, and seeking support from local services when they need it. This is evidenced by the services which are commissioned to support residents by providing advice, information and signposting to the range of local support networks available.
6. In the first quarter of the year 1,727 customers received information and advice interventions (the figures for the second quarter are not yet complete for all organisations).
7. The Disability Information Bureau has provided 1,203 Information and Advice interventions for people with a physical disability in the first half of 2013. This includes advice and support through telephone, face-to-face and social media. For the second quarter of 2013 they have been surveying people who have used their service. Of these, 93% report that they have more choice and control, 71% felt more independent and 71% felt that they had more of a voice.
8. A wide range of work has been commissioned across the voluntary, community & faith sector, from early intervention /

preventative service provision to developing resilient communities.

9. The future of transfer and devolution is part of the on-going Review of Localism and Creating Resilient Communities. Forty assets have been transferred to local councils for them to manage. Three Local Plan Core Strategy Briefings to town and parish councils are set to take place in October.
10. Phase 2 of the Community Asset Mapping was uploaded to the Geographical Information System in September 2013. The system now includes over 4,000 assets / activities. Work continues to encourage other areas to carry out asset mapping.
11. The Town and Parish Council SharePoint site, creating a one stop place for all relevant information is seeing increasing use. The site is now being used to share information with 85 registered users. .
12. Engaging more Parish Councils in local area working is a priority in all Local Area Partnership (LAP) work plans and new rural working groups have been established to deliver joint initiatives focussing on key issues. For example Nantwich LAP's Rural Transport Group is working positively with public transport providers, carrying out a survey which will inform transport tender bids in 2014. Five parishes are now working together on a joint funding bid into the Community Transport Fund for a pilot rural bus route along the A534 corridor.
13. Partnerships are forecasting an underspend of £0.1m. This comprises £59,000 savings on staffing through holding vacancies, £20,000 underspend on supplies and services and £21,000 saving on structural grants. These have resulted from a pause in new activity while the Local Working structure is reviewed.
14. Regulatory Services continued to carry out proactive statutory inspections in relation to food safety, health & safety, permitted

processes, private water supplies and animal health and welfare. In total over 500 inspections were completed, including a number of joint food and health & safety inspections. 2,035 requests were received including over 800 pest control calls. This work led to the service of nearly 20 statutory notices, 2 interviews involving the Police, a simple caution and the voluntary closure of a food premises as well as over 200 warning letters seeking compliance with legislative requirements.

15. Customer satisfaction is high with Regulatory Services. Businesses responding to the Council's in-house survey registered 100% satisfaction with the service that they had received. 94% of non-business customers registered satisfaction with the service that they had received and 100% of the pest control survey returns indicated satisfaction with the service.
16. The opportunity to broaden the delivery mode for enforcement activity to create a more sustainable service does mean delays are being forecast in overall delivery of the project. Car Parking, Neighbourhood Enforcement and Regulatory Services are therefore currently forecasting an estimated budget overspend of £0.7m.
17. The income shortfall in Pest Control has reduced by £25,000 to £11,000, and forecast in staffing costs in shared services have improved by £34,000 to £0.2m. There has been an 8% reduction in town centre footfall compared to 2012/2013 leading to an increase in the car parking income shortfall by £39,000 to £0.3m.
18. A delay in awarding the Public Service Network contract for CCTV to 2014/2015 is expected to result in £0.2m of unrealised savings.
19. The number of active library users is 79,862 at the end of September. More than 7,500 residents responded to the Cheshire East Libraries survey during quarter 2. The survey was commissioned to inform the Sustainable Libraries major change

project which is expected to reduce the cost of libraries by 30% by 2016.

20. The Council's website received over 1 million visits in the second quarter of the year, and more than 70,000 customers chose to transact with us online. Increasing numbers of customers are visiting 'cheshireeast.gov.uk' from a mobile device (i.e. smart phone or tablet). 45% of visits came from a mobile device in quarter 2 of this year, compared with 25% for the same period last year. The next generation of the Council's website is now being developed for a January 2014 launch to make it easier to use from a mobile device. Twitter followers engaging with the Council at the beginning of October stood at 5,382.
21. Following work in quarter 2, the Department for Communities & Local Government announced in early October that Cheshire East Council, working in partnership with other north-west authorities (Cheshire Constabulary, Cheshire Probation and Cheshire Fire and Rescue), was one of the authorities sharing a reward for radically overhauling how they do business, part of the Government's pledge to transform public services, whilst delivering efficiency savings. The successful bid for Community Safety achieved an award of £420,000, and a Sub-Regional Public Sector Transformation Board will be working to consider and implement next steps.

## **2 ~ Cheshire East has a strong and resilient economy**

22. Increasing employment and the quality of employment will support the delivery of this outcome. The Council is doing this by engaging with businesses and helping to provide the necessary infrastructure and high quality workforce that will encourage investment in the area.
23. The Economic Growth and Prosperity Department has developed a long term economic growth plan with projects and opportunities to ensure Cheshire East has a strong and resilient economy. The Council is actively engaged with Government, as part of the

Cheshire and Warrington Local Enterprise Partnership (LEP), to shape and influence Local Growth Deals and European Union Structural Funds, which will secure funding to deliver major projects over the next decade.

24. To ensure Cheshire East takes full advantage of the funding and investment opportunities the Council is developing an overarching economic vision and growth strategy including transformational growth programmes such as High Growth City and the North East Science Corridor alongside an ambitious Strategic Infrastructure plan.
25. Cheshire East Council, as lead of the sub-regional Connecting Cheshire Project, has identified a partner to deliver a business support programme (Connecting Cheshire – Superfast Business) which will provide over 12 hours support to 900 businesses, ensuring they can make best use of ICT and the internet in their business. Over 10,000 demand registrations, largely from rural areas, have been received to date demonstrating the demand for better broadband.
26. The *East Cheshire Engine of the North's* business plan, which prioritises a number of the Council's development sites, is being taken through the Council's approval process to unlock capital funding. Sub-regionally, reviews are underway between the LEP and other local authorities in relation to future service delivery. This will be considered alongside how the new LEP Strategic Economic Plan will be implemented.
27. Ongoing proactive engagement with current and prospective investors has taken place, including with those within the new Alderley Park BioHub. Business engagement event activities have continued during quarter 2 including:
  - Procurement opportunities / advice workshops
  - Life Science cluster meeting
  - Make it Macclesfield breakfast meeting
  - Involvement in a range of partner-led events

28. The Council has increased its focus on developing a programme of Major Projects, this includes:

- Supporting the Alderley Park Task Force in its exploration of future options and strategies for the Alderley Park site and the wider North West Life Sciences offer. This includes leading in commissioning an economic impact assessment of AstraZeneca's disinvestment, but also pro-active work with the company to develop a master plan and development prospectus for the site. The Council has also actively supported the new BioHub facility in assisting new and prospective investors. In the last six months the BioHub has signed up new companies which will generate over 1,000 new jobs into the site.
- Approval of 'All Change for Crewe: High Growth City' as a major new economic strategy to make Crewe the premier location in the North West region for advanced manufacturing and engineering by 2030, exploiting the town's connectivity and record of innovation to drive future growth.

The strategy includes developing Crewe as a world-class hub for the automotive and rail industries; making the town a UK centre of excellence in employer-led skills; positioning Crewe as a market leader in renewable energy; spearheading a £500m infrastructure programme for the town and preparing key land assets to support future economic growth.

- Playing a key role in developing the business case to secure Bentley's investment in a new production line in Crewe for its new Sport Utility Vehicle model. This will generate £800m investment, secure existing jobs and create up to 400 more in Crewe.
- Supporting the development of plans and business cases for the new Crewe Lifestyle Centre, to be located in Crewe town centre.

- 29. Work on Compulsory Purchase Orders for the Silk Street scheme in Macclesfield is progressing to ensure delivery of the new retail scheme which received planning permission earlier this year. Public realm improvements have continued in Macclesfield and £0.5m has been earmarked for further improvements in the town centre, including Silk Heritage, which are subject to a full business case.
- 30. Within the Assets Service £1m of savings are dependent on asset rationalisation / disposal across the Authority, of both operational and non-operational building stock. At mid-year the service is reporting a £0.9m pressure against this target, derived mainly from key risks including decisions affecting front line service delivery, failure to dispose of property due to adverse market conditions and the retention of property for development or other Council considerations. This will be addressed through ongoing mitigation measures and some further adjustments as part of the budget setting process.
- 31. Savings against overall property portfolio of £0.5m, including reduction in repairs & maintenance and energy / street lighting efficiencies, have largely been delivered but are reporting £0.2m pressure mainly from Street Lighting savings still under development.
- 32. The latter target is linked to activity between the Highways Service and the Council's energy provider regarding the update of the lighting portfolio to realise the revenue savings. Recent activity in this area may provide a more optimistic forecast at the third quarter position.
- 33. The Service is delivering mitigating efficiencies of £0.6m from savings made from staffing, and Farms from reduced maintenance spend and energy rebates. Further mitigation is assumed from using the underspend on the Major Project Cost of Investment and underspend against cost of investment linked to the review of the Electricians Service (£0.44m).

34. This activity counteracts financial pressures identified by the service at mid-year of £0.4m. Cost pressures include Shared Services property costs; devolution properties not transferred / not transferring; pressures arising for changes to base budget assumptions (for example the assumed disposal of West View, Manor Way in 2012/2013 has not yet taken place).
35. Good progress continues to be made in securing investment and improvements to the strategic highways network. Pinch point funding has been confirmed to deliver improvements at the A500 / Junction 16, Junction 17 of the M6 and to accelerate the delivery of the Basford West Spine Road. The Council has also been successful in securing the funding to deliver a solution to address the Sydney Road Bridge pinch point in Crewe and a contribution towards the delivery of Poynton Relief Road.
36. Development work has continued on the planning of a northern link road for Congleton. It is anticipated that a public consultation exercise on potential route options will be held early in the new-year. Additionally, work is underway to examine if a revised design for Poynton Relief Road should be delivered following the closure of the BAE Woodford site.
37. The Public Inquiry into the compulsory purchase of the land required for the delivery of Crewe Green Link Road was held in August and an Inspectors decision is anticipated before Christmas. Subject to this, work is due to commence on this project in Spring 2014.
38. Crewe Rail Exchange continues to progress on schedule and will deliver a major improvement to Crewe Station and its users.
39. In quarter 2 the Highways Service delivered a significant proportion of the Highway Investment Programme and other structural maintenance schemes funded through this year's Local Transport Plan settlement.
40. The Council has directed significant resources to the "Tell Dave" Campaign to address the backlog of pothole defects that has developed over recent years. By the end of quarter 2 the number of repairs had exceeded 52,000 against the campaign target to repair 50,000 potholes in the 2013 calendar year. As a result of this targeted effort the number of third party claims being processed in the month of August has dropped to 25% of the level being processed in March.
41. The Environmental Protection and Enhancement Service are expecting to deliver to budget. Issues to note include Cabinet deciding not to reduce winter services, such as gritting, where savings of £0.1m will need to be made through other service reductions / contract efficiencies.
42. Strategic Highways are reporting a balanced position as additional costs on consultancy and write offs of rechargeable works expenditure are being offset through additional income forecast (£0.1m). The Service is also looking at further other options including potential reductions in revenue highways maintenance.
43. Transport is currently forecasting a favourable variance of £75,000, due mainly to efficiencies in staff management. The Service is not reporting any variance against the public transport support budget, however it is likely that there may be network changes over the remaining 6 months of the year that will require additional tendered services or de-minimus contracts to be entered into and that may increase expenditure but through careful contract / financial management should be able to be contained within the approved budget.

### **3 ~ People have the life skills & education they need in order to thrive**

44. This outcome is supported by high profile services such as education, and children and adults' social care.

45. Recently published end of Key Stage 2 performance data (based upon national statistical first release) shows that Cheshire East schools achieved 80% for the new measure of combined reading, writing and maths test / assessment at Level 4+. This compares to a rate of 76% nationally. The same measure at Level 5+ shows that our rate of 27% is 6 percentage points above the national figure. End of Key Stage 4 performance is awaiting national first statistical release which is due at the end of October. Early indications are that for 5+A\*-C including English and maths, the Cheshire East rate will be slightly above last year at 63%.
46. The performance of our Cared for Children this year shows that at the end of key Stage 2, 48% of pupils achieved the new measure of combined reading, writing and maths test / assessment at Level 4+. This compares to a rate of 50% nationally in 2012 (2013 data not currently available). Provisional data at Key Stage 4 shows that 14% of our young people have achieved 5+ A\*-C including English and maths which is up on last year. National data for last year showed 15% of young people achieved this measure. Individual analysis of school results will take place as validated data is made available in order to consider the scale of attainment gaps across the Borough and it is clear that this area will continue to be a priority going forward.
47. Our new "Front Door" arrangements through the Cheshire East Consultation Service (ChECS) are now well embedded. The recent Peer Review process, undertaken by senior staff from Lancashire County Council, provided positive feedback highlighting that the service is clearly focused on improving performance and providing appropriate and timely responses to agencies and family members who contact them. Feedback from a range of agencies shows that the new service is much improved and that agencies were now able to speak directly to a social worker to share specific concerns and offered appropriate advice and action, including supporting the use of the Common Assessment Framework.
48. The Early Help Panel was established in July 2013 and to date over 40 cases have been considered via this multi-agency platform.
49. In relation to our Cared for Children population, the overall figure of children in care has continued to fall over the last 12-month period from 412 to a current rate of 363 as of the end of quarter 2. Significant progress has been made in ensuring we have the right children in care. Whilst the admission rate has increased, the exit rate has ensured that the overall picture continues to be one of a reducing trend.
50. The priorities for improvement within children's services continue to be scrutinised and tracked through the Improvement Board. There has been a new Chair for the Local Safeguarding Children's Board appointed to assist in driving multi-agency working and improvements forward and there was a theme on partnership at the last Improvement Board.
51. The domestic abuse multi-agency steering group is leading a review of the commissioning strategy to ensure a whole family approach to our shared safeguarding responsibilities. Arrangements continue to work effectively and there has been a new commission to respond to child sexual exploitation coupled with the development of a multi-agency operational group which will give better intelligence on potential victims, perpetrators and risk locations to better protect our children and young people. This will also eventually move to a wider group for vulnerable adults. As of the end of Quarter 2, we have seen a rise in the last quarter with more children being made safer due to increasing awareness.
52. The Council's Youth Offending Service has continued to deliver improved outcomes including reducing the number of offences committed by young people, evidenced in the recent successful inspection by HMI – Probation.

53. An 'expression of interest' to establish The East Cheshire University Technical College (UTC) Trust, with the support of Manchester Metropolitan University and its business partners, Bentley, Siemens, OSL Rail, Oliver Valves, Senior Aerospace and Cheshire East Council, was submitted on 4th October 2013 to the DfE. The outcome of the 'expression of interest' will be known later in the Autumn. If this is successful, the Council will be invited to develop a detailed application form and be called for interview in late November. Decisions will be announced in spring 2014. If successful the Trust will receive a ring-fenced budget to deliver the project.

54. The National Autistic Society (NAS) have in place project plans and a team is being assembled to establish the Free School in Alsager to move the special schools / establish new local provision for Autism initiative forward. DfE procurement processes have resulted in delays on the refurbishment of the site, however the NAS are working closely with the DfE to expedite the situation.

55. Of the 13 service users in long term placements at the end of quarter 2 with the Adult Social Care Shared Lives team: 2 are in apprenticeships, 4 are in education and 1 is in supported employment. All 199 service users receiving Shared Lives sessional support have placement agreements which focus on maximising independence and community involvement.

56. The workforce development strategy seeks to support national and local requirements through innovative ways of working by creating conditions that allow workers to work differently or by providing a new focus. This includes not just direct provision of services, but also supports unlocking the even bigger assets of the people and resources of communities, neighbourhoods and families. The workforce development team have successfully obtained Centre of Excellence recognition as a National Skills Academy endorsed training provider for Social Care. Recent positive outcomes and scheduled activity includes:

- The Social Worker Recruitment and Retention market supplement was introduced which has resulted in three new Group Managers and seven new experienced social workers being recruited this year to date;
- All social work grade eight candidates going through the Progression and Consolidation Programme and aiming to progress to grade 9 will need to have submitted their portfolio to the final board by July 2014;
- There are 6 people going through the Assessed and Supported Year in Employment stage for newly qualified social workers.
- There are currently two people placed within the service undertaking the Learn Together Partnership 'Step Up to Social Work Programme'
- A further three internal workers are undertaking the Social Work Degree through the 'Grow Your Own' programme.
- There are nine workers currently set to complete the Post Qualifying Child Care Award.

57. In financial terms the services to Children continues to reflect a small forecast underspend. There is also an improvement in the Dedicated Schools Grant position.

58. Challenges include Home to School transport, and the national issue of recruiting suitably experienced Social Workers for key front line areas such as Children in Need.

#### **4 ~ Cheshire East is a green and sustainable place**

59. A clean and well managed environment will provide achievement of this outcome. Carbon management and maintenance of open spaces will enhance local places which will also rely on effective planning, transport and waste services.

60. The Strategic Planning Board received an update report on the Local Plan and the emerging *Core Strategy* in September 2013. Consultation on the Local Plan began in 2010, developing a blueprint for Cheshire East to 2030, covering jobs, new homes,

schools, roads, leisure facilities etc. To date, 27,000 responses have been received, and over 100 strategic sites evaluated. There are presently 29 proposed strategic sites and 10 strategic locations with potential to go forward in the emerging *Core Strategy*. This is set within the demographic context that Cheshire East will have a 26% increase in over 65's and a 35% increase in over 85's by 2021. A further consultation will take place on a draft Pre-Submission Core Strategy during the Autumn.

61. As reported at first quarter Development Management identified a cost pressure due to the exceptional volume of public inquiries dealing with the Council's housing land supply. The extent of this pressure is expected to be in the region of £0.3m, although the true extent will only become more tangible after the Council receives the outcome of these first appeals in mid-November. However, linked to the housing land supply, planning application income in the first six months of the year has exceeded targets and if this continues for the remainder of the financial year, coupled with vacancy management savings, it is anticipated that this will negate this cost pressure in 2013/2014. A clearer understanding of the outturn will be known at the three-quarter position.

62. The Council has achieved a 15% reduction in its emissions (4,685 tonnes of CO2 per annum) between 2009/2010 and 2012/2013. It is currently on track to achieve its corporate target of a 25% reduction by 2016. Delivery of carbon reduction projects have achieved savings of £1.3m per annum in energy costs and reduced the Council's future Carbon reduction Commitment (CRC) liability by a further £75,000 per annum.

63. The Streetscape Service has completed the interactive design and build of new play areas in Middlewich and Ollerton, and a new skate facility (also in Middlewich). It has also successfully retained 5 Green Flag Awards for open space excellence at:

- The Moor at Knutsford

- Bollington Recreation Ground
- Congleton Park
- Teggs Nose Country Park
- Brereton Heath Country Park

64. The Streetscape service is currently forecasting a net overspend of £252,000:

- The service is exploring opportunities for alternative street cleansing service delivery but at present this is resulting in unrealised savings of £266,000;
- Income of up to £54,000 may be forfeit whilst essential replacement work is completed on the cremators at Crewe Crematorium;
- Up to £114,000 of financial pressure is also related to current delays in markets and public conveniences transfers;;
- A one off management fee to Congleton Town Council to devolve grounds and street cleansing services, other in-year running costs, and costs associated with setting up the Bereavement Services new company are contributing further pressure of up to £178,000.

65. Remedial measures have been proposed to offset the financial pressures described above, such as increases in Grounds Maintenance and Street Cleansing Service income of £50,000, savings through efficient staff management of £89,000, and targeted supplies and transport savings of £190,000.

66. Quarter 2 has seen significant progress with the Waste major change programme. Its scope has increased to include Streetscape services in the formation of the wholly owned company (WOC) and the programme now covers a wider remit for environmental services rather than just waste management.

67. Phase 1 has been successfully completed and Phase 2 is well on the way with a report going to Cabinet in October to cover the proposed formation of the WOC, agreement over cost of investment money needed to deliver the whole programme, and

agreement to move forward with a Supplementary Capital Estimate for capital funding to replace 20 new waste vehicles and move forward with the infrastructure project.

68. The Council has given approval to undertake a feasibility study into the potential of deep geothermal energy in Crewe. The rare discovery of this energy provides the potential to drive down local energy prices, create a self-sufficient energy supply and cut down on carbon dioxide emissions to help improve the environment.
69. The Waste & Recycling Service saving target for Landfill diversion, through a collaborative arrangement, is forecast to be on target, however, in the interim period the service is facing pressure from greater tonnage being collected than forecast giving rise to additional landfill costs of £0.4m. In addition, the Service is set to under-achieve against its waste minimisation savings target giving a pressure of £0.2m. The service is looking to mitigate in year by utilising under-spent cost of investment monies.
70. Further pressures of £0.2m from fuel inflation and one-off costs to implement training, software, vehicle tracking and promotion of Green Waste service change. This will be offset through other savings.

## **5 ~ People live well and for longer**

71. This outcome focuses on addressing the key issues that can help individuals and communities to live well and for longer. A number of Council services are working towards the delivery of this outcome including public health, social care, housing and leisure. An Outcome 5 Transformation Board, which includes senior Council officers from these areas, has been established with the specific intention of overseeing delivery. These efforts will require a project management approach through the Executive Monitoring Board and Technical Enabler Group.

72. Strategic Housing are working on a number of initiatives to improve outcomes for our customers. We have recently restructured the housing service to focus on enhanced housing options with the aim of improving access and providing customers with housing options advice to enable them to make informed decisions. The Service is concentrating on making the best use of existing stock by reducing the level of long-term empty homes and taking appropriate action in relation to disrepair, whilst undertaking new initiatives to stimulate housing growth. Working in collaboration with Adult Services, Strategic Housing are exploring current needs in order to ensure the Council has the right housing provision to promote independent living.
73. Reduced level of homelessness through proactive prevention activity has been achieved by:
- Working closely with Emergency Assistance Fund to increase access to privately rented properties (£45,000 in quarter 2).
  - Using Prevention Fund to clear small arrears, pay first month's rent on social tenancies (£10,000 in quarter 2).
  - The Single Point of Access (launched April) helps sustain tenancies, keeping people in their homes with referrals to floating support.
  - The Bond scheme has recently been extended to non-priority cases, which may assist some cases affected by welfare reform.
  - The MySpace scheme assists 18 to 35 year olds to access private lets (partnership with the Crewe YMCA).
  - Money Advice officer attending both Macclesfield & Crewe County Courts to assist householders facing repossessions across all tenures, 8 preventions in last quarter.
74. Thirteen affordable homes were completed in quarter 2. The Housing Challenge Fund has been piloted and awards of grant are to be made shortly. This will bring forward approximately 30 units at a total cost of £475,430 (equates to £15,847 per unit). Four Council owned sites have been taken to the market for the

provision of affordable homes and all sites have now been awarded to Developers or Housing Associations for development:

- Oakdene Court, Wilmslow has now started on site and will result in the provision of 29 affordable units.
- Churchside Cottages and The Moss Macclesfield will start on site early October and will deliver a further 7 affordable units by March 2014.
- West View in Crewe is due to commence on site in the near future and will deliver a further 19 units.

75. To date 945 home adaptations for older and / or disabled residents have been completed in 2013/2014, and there has been a reduction in the level of long-term empty homes by 27. This has been achieved by:

- Successfully prosecuting the owner of a long term empty property for non-compliance with an untidy land notice. The owner has since entered the property into auction to avoid further prosecution action.
- The owner of another long term empty property has sold his property at auction to avoid prosecution and the new owners will be providing 2 units of accommodation later this year.
- 2 further owners of long term untidy empty properties are currently facing enforcement action.
- In September the National Empty Homes Loan Fund was launched in Cheshire East offering up to £15k loan to help owners bring their empty properties back into the rental market.

76. At this stage in the financial year Strategic Housing is anticipating to realise a benefit of £85,000 in 2013/2014, from the restructure of the Service, in excess of the £50,000 business plan policy savings. In addition, 'in year' benefits from vacancy management and external funding are currently forecast, estimated to be in the region of £90,000.

77. In the last three months participation in Sport and Active recreation at the Council's facilities increased by an average of 3%

compared to a similar period in 2012/2013, for both adults and older people categories. Junior attendance is up 5% on last year. Total attendances for 2013/2014 are over 1.1m. Attendance has been boosted by increased usage of the outdoor pool in Nantwich Pool during the summer months.

78. In September, a Crewe Sports Club Society "market event" took place in Crewe Town Centre to highlight what opportunities are available for the public and to help promote Crewe Town Centre. 86 new members have joined the Nordic walking program with over 80% of attendees being 40+ and who have not been active for several years.

79. Cycling proficiency ('Bikeability') is running at 95% of all schools in Cheshire East taking part with over 3,500 children competent Level 2 and 3. The scheme is helping to make the participants more aware of safety on the roads. On 'Bike to Work Day' over 21 bikes were serviced for the staff and general public.

80. The Leisure Service is forecasting a net overspend of 0.9m after remedial measures, an increase on £14,000 since first-quarter. This mainly comprises: £0.3m due to slippage into 2014/2015 of savings relating to the Leisure Trust set up. The full £0.7m savings are to be realised in 2014/2015. Pressures in leisure facilities comprise £0.3m pay, £0.1m premises and £0.1m income shortfall. The above will be addressed as part of the 2014/2015 Budget. Since first-quarter pay pressures have increased by £14,000 due to revised staffing projections and seasonal variation in staff employed within the Leisure facilities.

81. Reablement services concentrate on helping people to develop or relearn relevant practical skills. During quarter 1 and quarter 2 this year Care4CE reablement services (both mental health and domiciliary care) supported 1,837 adults. This figure is around 40% higher than during the same period last year. The mental health reablement teams were responsible for the increase. In these teams around 8% of the work involved supporting people to access education, voluntary work or supported employment and

fewer than 2% of the people supported by these teams subsequently required an ongoing commissioned service.

82. In the domiciliary care reablement teams there have been over 1,500 community reablement and intermediate care interventions for older people (aged 65+) to help them regain and maintain their independence. Within the reablement service, 48% of the people supported required less support or no support at the end of their reablement period, whereas only 8% required a higher level of support. Of the older people who had a reablement or intermediate care intervention following discharge from hospital, almost 85% were still at home 91 days later.
83. Adult Social Care service are working towards maintaining people in their own homes wherever possible by looking to a range of community options for them to be supported at home. Compared to the same point last year, there have been 21 fewer permanent admissions to residential or nursing care demonstrating a downward trend in long term residential placements.
84. There are more people receiving equipment services to help them stay independent. 2,375 people have received equipment services compared to 2,254 at the same point last year which represents a 5.5% increase. Equipment Services includes Occupational Therapy equipment, adaptations, maintaining equipment such as lifts and hoists, telecare and assistive technology.
85. Adults Service is continuing to improve its performance in the allocation of personal budgets and whilst there is further work to be done in this area the number of service users and carers receiving Personal Budgets as a proportion of people who would benefit from them has increased from 56.2% at Quarter 2 last year to 67.2% this year thereby demonstrating the improvement.
86. Within the frontline Adult Social Care Services the Council has introduced an early assessment option from the Occupational Therapy (OT) and Assistive Technology (AT). This option has

been developed following initial indications that these are successful interventions which prevent individuals from requiring ongoing support in at least the short to medium term. An analysis has shown that the impact of these interventions is sustained on average for at least 14 months. Of the 543 assessments completed by the OT and AT workers at frontline in quarter 2 (2013/2014) 59% of customers retained their independence and continue to live in their own home without any domiciliary support services. As a result of the frontline OT and AT interventions, evidence further suggests that one person per week avoids permanent residential care. This is predominantly an outcome which relates to AT intervention but OT does also have an impact.

87. Achieving a balanced budget or near to it will depend on remedial actions being successfully delivered including negotiations around key issues such as Continuing Health Care and Ordinary Residency. Overall demand is being better controlled which in turn, gives a stable platform to address cost issues.
88. Management of increased demand from certain client groups such as older people is proving successful with further work needed in other groups such as Learning Disability, already recognised by the LD Life course Review being progressed. This and other projects being undertaken will further suppress growth pressures, deliver further efficiencies and take costs out whilst providing care to those entitled to it under the relevant assessment criteria..These projects include the Assessment and Care Management project and the Care4CE future service delivery vehicle project.
89. Successful delivery of policy options added to other remedial actions such as holding vacancies partially offsets the overspend within the service.
90. There remains pressure on care costs, especially in relation to Learning Disabilities where the levels of complexity coming through transition from Children's Social Care continues to

increase year on year with a direct correlation in terms of costs being incurred.

arrangements). These arrangements will continue to apply for at least two more financial years.

91. Updated statistics (relating to 2011) from the Department of Energy & Climate Change using the revised fuel poverty definition (low income, high costs) were published in August 2013, indicating that the percentage of households in fuel poverty in Cheshire East (11.6%) is better than the North West average of 12.5%.
92. The Public Health service is continuing to review the commissioned services in more detail in order to better understand the current position and inform future commissioning intentions. A prioritisation exercise has taken place which, together with a legal opinion of the procurement options available, will help to inform the procurement schedule.
93. The work programme to review and re-commission drug and alcohol services is progressing with stakeholder consultation events having taken place and an on-line survey due to commence at the end of October 2013. Reviews of sexual health, tobacco control and healthy child (5-19 years) services are also taking place.
94. The successful negotiation with some providers added to tight financial management has resulted in a small projected underspend of £0.3m which will be invested in the Public Health reserve (which is allowed under the existing ring fencing

## 2. Financial Stability

### Service Revenue Budget - Overview

95. **Table 1** provides a service summary of financial performance at Quarter 2. For further details please see Section 1 and the notes below the table. Changes to service net budgets since the First Quarter Review are analysed in **Appendix 2**.

**Table 1 Service Revenue Outcome Forecasts**

Service	REVENUE				OUTCOME NUMBER 1-5
	Revised Net Budget £000	Forecast Outturn Position £000	Current Forecast Over / (Underspend) £000	Current Forecast Over / (Underspend) % Change	
<b>Commissioning</b>					
Children	35,284	35,177	-107	-0.3%	<b>3</b>
Integrated Safeguarding	2,232	2,249	17	0.8%	<b>3</b>
Early Help and Protection	11,232	11,024	-208	-1.9%	<b>3</b>
Adults	97,701	98,523	822	0.8%	<b>5</b>
Public Health	321	321	0	0.0%	<b>5</b>
Environmental Protection and Enhancement	38,139	38,417	278	0.7%	<b>4 / 2</b>
Public Protection and Enforcement	-335	915	1,250	#	<b>1 / 4 / 5</b>
Economic Growth and Prosperity	6,415	6,173	-242	-3.8%	<b>2 / 5</b>
Resilient Local Communities	27,704	27,319	-385	-1.4%	<b>1 / 2</b>
	<b>218,693</b>	<b>220,118</b>	<b>1,425</b>	0.7%	

Service	REVENUE				OUTCOME NUMBER 1-5
	Revised	Forecast	Current	Current	
	Net	Outturn	Forecast	Forecast	
	Budget	Position	Over / (Underspend)	Over / (Underspend)	
	£000	£000	£000	% Change	
<b>Commissioning Support</b>					
Chief Operating Officer	18,112	18,824	712	3.9%	
Commercial Strategy, Business Improvement and Performance	19,568	19,759	191	1.0%	2
Organisational Development	4,560	4,280	-280	-6.1%	
Monitoring Officer	1,696	1,746	50	2.9%	
Governance and Democratic Services	4,555	4,555	0	0.0%	
	<b>48,491</b>	<b>49,164</b>	<b>673</b>	1.4%	
<b>Cross Cutting Items</b>					
	-617	583	1,200	#	
<b>TOTAL SERVICE OUTTURN</b>	<b>266,567</b>	<b>269,865</b>	<b>3,298</b>	1.2%	
<b>Schools Grant Funded</b>					
<b>Schools Grant Funded including DSG</b>					
Strategy, Planning & Performance - DSG	0	1,413	1,413		3
Schools (Individual School Budgets)	0	0	0		3
Other Schools Provision	0	-3,665	-3,665		3
Pupil Premium	0	0	0		
	<b>0</b>	<b>-2,252</b>	<b>-2,252</b>		

# % change not shown against negative net budgets

96. Other corporate issues at Quarter 2 not described in Section 1 include:
- Good progress in delivering against budget in the Corporate Service areas and supporting the many initiatives being taken forward by the Council.
  - A potential overspend of £69,000 in ICT shared services assuming income is fully recovered.
  - The ICT project in relation to the Public Service Network has been delayed meaning the growth proposal is likely to be underspent and £0.1m may be available to offset other pressures.
  - HR are predicting an underspend of £0.3m due to Cost of Investment funding not being required in 2013/2014.
  - Legal and Democratic Services are reporting an overspend of £0.1m due to additional staffing pressures.

97. The impact of the projected service outturn position is to reduce balances by £3.3m. Further items impacting on the level of the Council's balances are detailed in the paragraphs below on centrally held budgets.

98. As the Council improves the focus on providing funding for specific outcomes there may be changes to the way services are structured. In particular, the Council will always consider the most appropriate delivery model to commission services; this could be in-house services, arms length services or private sector providers. In the period June to September 2013 considerable progress has been made towards setting up new delivery models in Waste, Leisure, Bereavement Services and Development (via the Engine of the North limited company).

99. The Council has made considerable improvements in the way it manages its major change programmes. This has included extensive training, a refreshed methodology, the setting up of new monitoring and reporting arrangements and monthly reporting. In April 2013 the Council launched a corporate project and programme management framework to support achievement of the 3 Year Plan. The framework focuses on capital or revenue projects or

programmes where the total value exceeds £250,000, or poses significant risk to the Council. Progress is reviewed by a Member-led governance group, called the Executive Monitoring Board (EMB), which is supported by a Technical Enabler Group (TEG) and the Programme Management Office (PMO).

100. Monitoring of the current projects and programmes focuses on whether projects are expected to achieve the benefits set out in each business case within the timescales and budget initially agreed. Where progress on a specific project or programme is impacting on the outcomes contained in the Council's 3 year plan details will be provided in Section 1 of this report. Where projects are not meeting time, quality or cost standards these will be considered by Cabinet as part of a monthly summary report.

### Government Grant Funding of Local Expenditure

101. Cheshire East Council receives two main types of Government grants, specific use grants and general purpose grants. The overall total of Government grant budgeted for in 2013/2014 was £405.6m. This includes the new Public Health Grant.

102. In 2013/2014 Cheshire East Council's specific use grants held within the services were budgeted to be £291.6m based on Government announcements to February 2013. Further announcements have revised this figure to £301m. Spending in relation to specific use grants must be in line with the purpose for which it is provided. General purpose grants were budgeted to be £114m based on Government announcements to February 2013. Further announcements have revised this figure to £116.3m.

103. **Table 2** is a summary of the budgeted and updated position for all grants in 2013/2014. A full list is provided at **Appendix 3**.

### Table 2 – Summary of Grants to date

	Revised Budget FQR 2013/14 £m	Revised Budget MYR 2013/14 £m	Variance 2013/14 £m
SPECIFIC USE			
Held within Services	300.3	301.0	0.7
GENERAL PURPOSE			
Central Funding	93.0	93.0	0.0
Childrens & Families	2.6	2.9	0.3
Adults	5.4	5.4	0.0
Environmental Protection & Enhancement	0.1	0.1	0.0
Economic Growth & Prosperity	0.0	0.0	0.0
Monitoring Officer	0.0	0.0	0.0
Resilient Local Communities	3.5	3.5	0.0
Chief Operating Officer	11.4	11.4	0.0
	<b>116.0</b>	<b>116.3</b>	<b>0.3</b>
Total Grant Funding	<b>416.3</b>	<b>417.3</b>	<b>1.0</b>

Source: Cheshire East Finance

104. Specific use grants have increased by £0.7m. This is in relation to DSG adjustments.
105. At First Quarter Review, it was noted that £1.3m general purpose grant relating to Education Services Grant and Youth Justice Grant would be paid into General Reserves. At MYR, additional general purpose grant of £0.3m is also now due to be received in 2013/2014. These are subject to Supplementary Revenue Estimate bids by services as detailed in **Appendix 8**.

## Collecting Local Taxes for Local Expenditure

106. Cheshire East Council collects Council Tax and National Non Domestic Rates for use locally and nationally.

### Council Tax

107. Council Tax is set locally and retained for spending locally. Council Tax was frozen for 2013/2014 at £1,216.34 for a Band D property. This is applied to the taxbase.
108. The taxbase for Cheshire East reflects the equivalent number of domestic properties in Band D that the Council is able to collect Council Tax from (after adjustments for relevant discounts, exemptions and an element of non collection). The taxbase for 2013/2014 was agreed at 137,122.19 which, when multiplied by the Band D charge, means that the expected income for the year is £166.8m.
109. In addition to this, Cheshire East Council collects Council Tax on behalf of the Cheshire Police and Crime Commissioner, the Cheshire Fire Authority and Parish Councils. **Table 3** shows these amounts separately, giving a total collectable amount of £201.6m.

**Table 3 – Cheshire East Council collects Council Tax on behalf of other precepting authorities**

	£m
Cheshire East Council	166.8
Cheshire Police & Crime Commissioner	21.0
Cheshire Fire Authority	9.3
Town & Parish Councils	4.5
	<b>201.6</b>

110. This figure may vary slightly during the year if more discounts and exemptions are granted or more properties are built.

111. The Council expects to collect at least 99% of the amount billed, but will always pursue 100% collection. However, to allow for any delay in collection the amount billed should therefore be slightly more than the actual budget. The amount billed to date is £203.5m.

112. **Table 4** shows collection rates for the last three years, and demonstrates that 99% collection is on target to be achieved within three years.

**Table 4 – Over 99% of Council Tax is collected within 3 years**

Financial Year	CEC Cumulative	
	2011/2012	2012/2013
	%	%
After 1 year	97.7	98.2
After 2 years	99.1	*
After 3 years	*	*

\*data not yet available

113. The Council Tax in-year collection rate for 2013/2014 is currently 58.5% compared to 58.9% for the same period in 2012/2013. This represents a reduction in collection rate of 0.4% on last year and equates to a reduction in cash collection of £0.7m when set against the current net debit.

114. Council Tax support payments (incl. Police and Fire) were budgeted at £18.9m for 2013/2014 and as at the end of the second quarter the total benefit awarded totalled £17.8m. A decision will be required from Members with regards to any changes to the Council Tax Support Scheme for 2014/2015 and this will be managed alongside the setting of the revised Council Tax base. Claimants who are receiving the maximum support available and still struggle to meet their liability, can apply for discretionary relief.

115. Council Tax discounts awarded as at the end of the second quarter are £18.4m which is broadly in line with the same period in 2012/2013. The figure now includes a long term empty premium of

£0.5m and a Section 13s Landlord Discount figure of £0.6m which currently offset each other.

116. Council Tax exemptions awarded at the end of the second quarter totalled £3.3m. This is lower than the same period in 2012/2013 where the amount awarded totalled £6m. This reduction is due to the changes to exemption rules introduced at the beginning of 2013/2014 and is broadly in line with estimates.

### National Non Domestic Rates (NNDR)

117. NNDR is collected from businesses in Cheshire East based on commercial rateable property values and a nationally set multiplier. The multiplier changes annually in line with inflation and takes account of the costs of small business rate relief. The inflation factor used is 2.6% which reflects the Retail Price Index as at September 2012.

118. The small business multiplier applied to businesses who qualify for the small business relief has been set at 46.2p in 2013/2014. The non-domestic multiplier has been set at 47.1p in the pound for 2013/2014.

119. The amount of business rates set by DCLG, to be collected by Cheshire East at the start up of the business rates retention scheme, was £132.5m. Local estimates in March increased this figure to £138.9m. Any increase in business rates collected are to be split 49% to central government, 1% to the Fire Authority with the remainder being retained by Cheshire East. After accounting for the levy due to be paid on any growth, the increase in rates would equate to £1.8m to be retained locally.

120. **Table 5** demonstrates how collection continues to improve even after year end. The table shows how over 99% of non-domestic rates are collected within three years.

**Table 5 – Over 99% of Business Rates are collected within 3 years**

Financial Year	CEC Cumulative	
	2011/2012	2012/2013
	%	%
After 1 year	98.1	98.0
After 2 years	99.1	*
After 3 years	*	*

\*data not yet available

121. The business rates in-year collection rate for 2013/2014 is currently 60.7% compared to 60.8% for the same period in 2012/2013. This represents an decrease in collection rate of 0.1% on last year and equates to an increase in cash collection of £0.04m when set against the current net debit.

### Capital Programme 2013/2016

122. Since the first quarter review the overall programme has increased by £0.2m to £223.3m, as shown in **Table 6**. There have been two schemes, namely the South Manchester Development Area (£0.450m) and the King George V Pavillion Project (£0.240m) that have been approved since the August 2013 Cabinet via Officer and Member decisions. At mid-year a number of budget reductions are reported, including £1m for the Alderley Edge Bio-incubation unit, and further Supplementary Capital Estimates totalling £0.7m.

**Table 6 – Summary Capital Programme**

	FQR Total Forecast Budget 2013/17	Amendments to FQR Forecast Budget 2013/17	Amended FQR Forecast Budget 2013/17	Budget Reductions	SCE's	Revised Total Forecast Budget 2013/17
	£m	£m	£m	£m	£m	£m
Children Services	14.0	0.0	14.0	-0.2	0.3	14.1
Early Help & Protection	1.0	0.0	1.0	0.0	0.0	1.0
Adult Services	9.9	0.0	9.9	0.0	0.0	9.9
Environmental Protection & Enhancement	91.0	0.3	91.3	0.0	0.0	91.3
Public Protection & Enforcement	0.4	0.0	0.4	0.0	0.0	0.4
Economic Growth & Prosperity	22.3	0.5	22.7	-1.1	0.0	21.6
Resilient Communities	18.0	0.0	18.0	0.0	0.4	18.4
Commercial Strategy & Business Innovation	66.6	0.0	66.6	0.0	0.0	66.6
	<b>223.1</b>	<b>0.8</b>	<b>223.8</b>	<b>-1.3</b>	<b>0.7</b>	<b>223.3</b>

123. The revised programme is funded from both direct income (grants, external contributions, linked capital receipts), and indirect income (borrowing approvals, revenue contributions, capital reserve, non-applied receipts). A funding summary is shown in **Table 7**.

**Table 7 – Capital Funding Sources**

	FQR Total Forecast Budget	MYR Total Forecast Budget	Variance
	£m	£m	£m
Grants	90.0	91.0	1.0
External Contributions	18.8	19.2	0.4
Prudential Borrowing	98.3	96.7	-1.5
Revenue Contributions	1.1	1.1	0.1
Capital Reserve	15.0	15.3	0.3
	<b>223.1</b>	<b>223.3</b>	<b>-0.2</b>

124. Since the first quarter forecast budget the funding of the capital programme has changed slightly with an increase in grants and external contributions with a corresponding reduction in prudential borrowing this is due to additional external funding being made available to finance the capital programme.

### Capital Budget 2013/2014

125. At the Mid year review stage the Council is forecasting expenditure of £83.245m in 2013/14, against a revised in-year budget for 2013/2014 of £90.264m, showing a net downward movement of £0.295m from the First Quarter position.

126. **Table 8** also illustrates the in-year changes to the capital programme which shows an overall decrease of £0.3m. This reflects the net impact in 2013/2014 of Supplementary Capital Estimates and Virements, and reductions in budgets listed in **Appendix 5** and **Appendices 6a & 6b**. The programme has slipped a further £7.0m into future years as a result of the mid-year review.

**Table 8 – In Year Changes to the Capital Programme**

	Original Budget	Revised MYR Budget	Forecast Expenditure	Current Forecast (Over/Underspend)
	£m	£m	£m	£m
Children Services	8.9	8.8	7.9	-0.9
Early Help & Protection	0.7	0.6	0.5	-0.1
Adult Services	1.4	1.4	1.3	-0.1
Environmental Protection & Enhancement	45.0	45.2	44.3	-0.9
Public Protection & Enforcement	0.3	0.3	0.3	0.0
Economic Growth & Prosperity	9.6	8.8	5.5	-3.3
Resilient Communities	2.6	3.1	2.9	-0.2
Commercial Strategy & Business Innovation	22.0	22.0	20.5	-1.5
<b>Total</b>	<b>90.6</b>	<b>90.3</b>	<b>83.2</b>	<b>-7.0</b>

127. **Appendix 6a** lists requests for Supplementary Capital Estimates and Virements under £250,000 in respect of forecast overspends and additional schemes not previously approved as part of the 2013/2014 Capital Programme.

128. **Appendix 6b** details a request for a Supplementary Capital Estimate of over £250,000 and up to £1m, All Supplementary Capital Estimates are fully funded by government grants.

129. The most notable Supplementary Capital Estimate is in respect of the Road Safety Cycle Scheme £0.4m which is funded wholly by Sustrans grant. The largest budget reduction is £1.0m in respect of the Alderley Edge Bio-incubation Unit which has been removed from the capital programme for the foreseeable future.

## Central Adjustments

### Capital Financing Costs

130. The capital financing budget includes the amount 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. The capital financing budget of £11.9m accounts for 4.6% of the Council's net revenue budget. At mid year, the capital financing budget is forecast to be on target.

### Treasury Management

131. Investment income for quarter 2 is £193,000 which is £33,000 higher than budgeted for the period. Income could have been higher but the externally managed pooled funds has been affected by turmoil in the bond markets due to uncertainties over the US quantitative easing programme. Markets have seen a correction in September and going forward funds should be positioned to take advantage of higher yields in the coming months. Based upon the current economic forecasts, investment interest rates are expected to slowly decline. Credit quality and liquidity of investments will continue to take priority over yield.

- The average lend position (the 'cash balance') including fund manager and legacy balances up to the end of the second quarter was £99.3m.
- The average annualised interest rate received on in house investments up to the end of the second quarter was 0.62%.
- The average annualised interest rate received (net of fees) on the externally managed pooled funds up to the end of the second quarter was -0.24%.

132. The Council's total average interest rate up to the end of quarter 2 in 2013/2014 was 0.44%. This is on a par with the London Inter-bank Bid Rate for 7 days at 0.43% but is lower than we would have hoped. The base rate remained at 0.50% for the quarter.

**Table 9 – Interest Rate Comparison**

Comparator	Average Rate Q2
Cheshire East	0.44%
LIBID 7 Day Rate	0.43%
LIBID 3 Month Rate	0.44%
Base Rate	0.50%

133. All investments are made in accordance with the parameters set out in the Treasury Management Strategy Statement approved by Council on 28<sup>th</sup> February 2013. Further details of counterparty limits and current investments are given in **Appendix 7**.

### Central Contingencies

#### Pensions

134. The 2013/2014 budget contained £0.7m contingency provision to meet the impact of increases in Employer Pensions contributions. This has been fully allocated to services.

#### Severance and relocation costs

135. A provision of £4.2m was included in the 2013/2014 budget to meet ongoing actuarial charges relating to Voluntary Redundancies (VR), and relocation costs arising from Local Government Reorganisation. Overall spending in-year is expected to be broadly in line with the provision. Overall though, relocation costs are lower than originally forecast. Budget provision of £0.5m made in 2012/2013 to return surplus funding transferred to the Council on reorganisation to Cheshire West and Chester Council was carried forward in general

reserves. It is anticipated that the payment of £0.5m from reserves will be made in 2013/2014.

### Supplementary Revenue Approvals

136. The Council's budget provides for the receipt of known specific grants. However where additional unbudgeted non-ringfenced grant funding is received, services wishing to increase their expenditure budgets are required by Finance Procedure Rules to seek approval to use this additional funding. This report seeks approval to services' requests to incur additional expenditure in 2013/2014 fully funded by additional grant. Details of the bids are contained in **Appendix 8**. A request is also made in Section 3 for Council to approve funding from General Reserves of £46,500 to meet expenditure on Dragons Den initiatives.

137. At FQR approval was given to Supplementary Revenue Estimates of £0.5m to be funded from General Reserves.

138. The National Joint Council for Local Government Officers staff have recently announced agreement to a Pay Award of 1% (for staff up to Grade 12) with effect from 1 April 2013, and the removal of Spinal Column Point 4 from 1 October 2013. At this stage the calculated cost of £1m has been removed from service outturn forecasts, and has been factored in centrally to be met from reserves. If services are to receive additional budget to meet these costs, Council will be asked to approve a Supplementary Revenue Estimate funded from general reserves.

### Debt

139. A summary of outstanding invoiced debt by Service is contained in **Appendix 9**.

### Outturn Impact

140. The impact of the projected service outturn position is to reduce balances by £3.3m as reported above (para 97).

141. Taken into account with the central budget items detailed above, the impact of these issues is to reduce balances by £4.0m, summarised as follows:

**Table 10 – Impact on Balances**

	<b>£m</b>
Service Outturn	3.3
Specific Grants	-1.3
Relocation costs	0.5
LGO Pay Award	1.0
Supplementary Estimates (approved)	<u>0.5</u>
	<u>4.0</u>

### Management of Council Reserves

142. The Council's Reserves Strategy 2013/2016 stated that the Council would maintain reserves to protect against risk and support investment. The Strategy forecast that the level of reserves would remain constant at £13.2m throughout this period in line with the risk assessed minimum level.

143. The opening balance at 1 April 2013 on the Council's General Reserves increased from a budgeted £13.2m to an actual position of £19.0m, due to the final outturn position for 2012/2013.

144. In light of the impact of the revised outturn position on general reserves and the emergence of other potential pressures on the budget, the Reserves Strategy was updated and approved at First Quarter Review.

145. The 2013/2014 budget made no provision for a contribution to or from general reserves.

146. The overall impact of service and central budget outturn issues identified above is therefore a net decrease in general reserves of £4.0m to £15.0m as shown in **Table 11** below.

**Table 11 – Change in Reserves Position**

	<b>£m</b>
Opening Balance at 1 April 2013	19.0
MYR Outturn Impacts	-4.0
Forecast Closing Balance at March 2014	<u>15.0</u>

147. The projected balance of £15.0m is above the Reserves Strategy risk assessed minimal level of £13.2m. In line with the overall strategy to protect the Council against risk and support investment this additional funding will be retained in general reserves and feature as part of the 2014/2015 budget setting process.

### 3. Workforce Development

148. This section sets out the Council's activities in relation to workforce development plans and changes to staffing levels and costs.

#### Workforce Development Projects

149. The Council has a number of key workforce development projects underway to support the Council's transformation. Under the major change project 8.2, which is specifically about building capability and engaging the workforce, a workforce engagement survey has now been commissioned and will be run in January 2014. The results of this survey will provide some key information to establish a baseline for the Council regarding staff engagement and morale and, importantly, enable the development of focused action plans to make improvements in key indicators where necessary.

150. Following the spring staff road-shows, the Leader of the Council and the Chief Executive, along with a number of other key senior leaders from across the Council, took part in a Dragons-Den style event in September. This event provided a number of staff with the opportunity to 'showcase' their suggestions for service improvements and innovative ideas and bid for investment to develop them further. 3 of the proposals were confirmed ready for taking forward for implementation and a further 4 were identified as having strong potential. In addition, there were a number of project ideas that are now to be mainstreamed in business and service plans. Overall, the event was hugely successful in demonstrating to staff that their ideas matter, promoting collaborative working and increasing commercial awareness and understanding.

151. The three proposals that are ready to progress are the Junior Community Warden Scheme, Staffing Solution Centre and the MyCEApp (a mobile phone app for CEC and its wider community) who between them have requested funding of £46,500 in order to develop the ideas into fully working solutions. Due to the nature of

the initiative it is suggested that the funding is identified from the Council's reserves. A supplementary revenue estimate of £46,500 funded from general reserves is therefore requested.

152. In addition, a series of leadership conferences are now being programmed in for the new Senior Management Team. The first of these important conferences is planned for the 4th November 2013.

153. The Council is now underway with its third cohort of managers on the Cheshire and Warrington Collaborative Leadership Programme, which the Council runs in partnership with Cheshire West and Chester, Warrington and other partners including the Police, Fire and NHS. This is a hugely successful programme and an excellent example of collaborative working. The programme this year is being run in conjunction with North West Employers.

154. Work is ongoing to develop a key set of organisational capabilities, including commercial awareness, commissioning skills and matrix working. A tailored development programme is being developed alongside this to ensure that the Council's managers and staff have the right skills and capabilities to operate at pace and deliver what is required as part of the Council's strategic commissioning operating model.

155. Following the recommendations of the Corporate and Performance Policy Development Group, a feasibility study is being finalised to enable the Council to explore the options around performance related pay, in line with major change project 8.1a - Further develop employment and working practices to enable flexible and agile working. The outcomes of this feasibility study will help to inform the Council's future policy on pay and reward. Investment for this project was initially estimated to be £0.18m in the current financial year and, as reported in last quarter, this investment will not be required until 2014/15 once a clear strategy has been agreed.

156. Major Change Project 8.1b, Creating an Agile and Flexible Workforce, is also underway and, following some stakeholder engagement sessions and cross-mapping interdependencies with other projects, including Assets and ICT, this project is set to go to the Council's TEG and EMB groups in November for endorsement. Investment of £0.05m is set aside for this project.

### Senior Management Review

157. As agreed and approved by full Council on the 28th February 2013, (Becoming a Strategic Commissioning Council), the Council is part way through a review of the roles and responsibilities of all its senior management posts. This is intended to align these posts with the Council's new operating model as a Strategic Commissioning organisation. The outcomes of this will be a significant overall reduction in the numbers of management posts, even after allowing for necessary increased capacity in priority areas such as economic development and social care.

158. Under the Major Change Project 7.1, Phases 1 and 2 of the senior management review are now complete, with a small number of vacant posts having recently been recruited to. The most recent of these being the Head of Resilient Local Communities and the Head of Legal Services and Monitoring Officer and will remove the need for interim post holders in these key roles. Due to the numbers and complexity of phase 2, the timescales for completion of this phase took longer than expected and consultation was extended to reflect the extra time that has been required to develop the new structures and allow for adequate challenge to the roles.

159. Phase 3 has not yet commenced and the original timescales will therefore need to be revised. The scope of phase 3 is also being reviewed in order to maximise savings and ensure that the Council achieves the target of £5m over 3 years.

160. Whilst the overall savings target is £5m over three years, the bulk of these savings, £3.5m, were front loaded into the first year (2013/14). Given the need to reschedule the timescales for the latter part of the project, this initial target will not be met, but the savings in the current financial year will be £1.8m from phase 1 and phase 2. Depending on the implementation timetable for phase 3, initial estimates for phase 3 suggest cost reductions of £0.5m are feasible, bringing total cost reductions forecast for this year from the management review of about £2.3m. Consideration is being given as to how this pressure can be mitigated in the current year.

### Staffing Changes

161. **Table 12** below demonstrates that there has been a reduction in headcount of over 1.5% between July and September this year. The headcount figure in September 2012 was 5,547 (a reduction over the year of 383). This is attributed, in part, to the Senior Management Review, as noted above, but also due to a number of resignations, voluntary redundancies and retirements.

**Table 12: Headcount and FTE figures for July to September 2013**

	Jul-13		Aug-13		Sep-13	
	Headcount	FTE	Headcount	FTE	Headcount	FTE
Places	2,122	1,461.8	2,096	1,449.5	2,082	1,437.0
Childrens	1,155	788.0	1,152	786.3	1,139	774.5
Adults	1,343	1,009.6	1,338	1,005.3	1,331	998.0
HR&OD	49	42.2	49	42.2	49	42.2
Apprentices	50	49.2	45	44.2	43	41.1
Finance	249	230.4	251	232.4	248	228.6
Legal / Dem	129	84.0	128	83.5	127	84.9
Shared Svs	149	136.2	146	133.6	145	133.2
<b>Total</b>	<b>5,246</b>	<b>3,801.4</b>	<b>5,205</b>	<b>3,777.0</b>	<b>5,164</b>	<b>3,739.5</b>

## Staffing Costs

162. Direct employee costs reduced from £10,071,467 in July to £10,025,785 in September. There was also a decrease in the monthly underspend over this quarter due to three factors – (1) the Local Government Officers pay award which was included in August salaries together with four months arrears; (2) the allocation of the £2.5m vacancy management savings and a slight increase in agency expenditure during August. Agency spend fluctuates from month to month and it is typical to see a slight increase over the summer months due to seasonal demand for some services and some holiday cover.

165. Thirty four people have left the Council under voluntary redundancy terms in Quarter 2, ten of whom held posts within the management grades (grade 10 or above). The total severance costs for all thirty-four employees was £722,955 inclusive of redundancy and actuarial costs. Over the next five years, these reductions are estimated to save the Council over £3.5m (which is the combined accumulated costs of the deleted posts).

**Table 13: Comparison of average days lost to sickness in the First Quarter of 2013/2014 to the same period last year**

	July	August	September
<b>Q2 2013/2014</b>	3.49	4.35	5.26
<b>Q2 2012/2013</b>	4.12	5.1	5.78

*Whole Council excluding Schools – year to date cumulative effect*

163. **Table 13** (above) demonstrates that there has been an overall reduction in the average number of days lost to sickness absence this year in comparison to last year.

## Voluntary Redundancies

164. The Council's voluntary redundancy scheme continues to support organisational change and the delivery of the planned programme of change in the Council Plan. The effective use of voluntary redundancy in this way enables the Council to achieve its planned savings and efficiencies and also helps to maintain good employee relations within the Authority and minimises the prospect of compulsory redundancy.

# **Appendices to Mid-Year Review of Performance 2013 / 2014**

**November 2013**

# Appendix 1 – The 3 Year Council Plan



**2013  
2016**

## Our principles to underpin budget decisions

- ..... We will be policy-led and stick to our decisions
- ..... We will make decisions based on evidence of need and of what works, with due regard to our equality duty
- ..... We are planning for at least three years
- ..... We must be a more productive and affordable organisation
- ..... We will stop doing some things to focus on those that matter most to local people
- ..... We will invest in innovative new ways of providing services
- ..... We will ensure that those who provide services, whether in-house or externally, give real value-for-money
- ..... We will promote self-reliance and capacity in local communities to reduce demand on public services
- ..... We will focus our limited resources on prevention and early intervention
- ..... We will invest in infrastructure to promote local economic growth and access to job opportunities

## Priorities

## Change Programmes

<p><b>1. Local economic development</b></p>	<p>1.1 Investment in existing and new road infrastructure 1.2 Investment in high speed broadband network for Cheshire East 1.3 Investment to support business growth and delivery of Macclesfield and Crewe regeneration, and the Sustainable Towns programme</p>
<p><b>2. Developing affordable and sustainable local models of care for vulnerable children and adults</b></p>	<p>2.1 Improve the sufficiency of care locally for vulnerable children and adults 2.2 Next phase of development of Care4CE service 2.3 Secure new integrated health and care pathways for learning disabilities 2.4 Securing efficiencies through strategic commissioning of children and adult services</p>
<p><b>3. Focusing services on early intervention and prevention</b></p>	<p>3.1 Focus Childrens Services on early help for families 3.2 Review adult assessment and case management services</p>
<p><b>4. Responding to the changing education and learning environment</b></p>	<p>4.1 Develop our relationship with self-sustaining schools 4.2 Continue review of Home to School transport 4.3 Improve the range of special school provision 4.4 Pursue the development of a new University Technical College</p>
<p><b>5. Securing housing that is locally-led, community-based and that meets local needs</b></p>	<p>5.1 Develop a new delivery model for the housing service and ensure housing services support independent living and health improvement 5.2 Develop accommodation strategy for vulnerable adults and those with learning disabilities</p>
<p><b>6. Redefining the Council's role in core place-based services</b></p>	<p>6.1 Develop new delivery model for leisure provision 6.2 Develop new delivery model for streetscape and bereavement 6.3 Develop a new model for sustainable library services and community hubs 6.4 Determine future delivery model for waste management services 6.5 Develop Total Transport Programme</p>
<p><b>7. Re-shaping the organisation</b></p>	<p>7.1 Restructure the organisation 7.2 Develop a more affordable model of corporate and support services with key subject expertise, to enable better strategic commissioning and delivery of frontline services 7.3 Continue targeted business improvement reviews to find efficiency savings from all services 7.4 Implement a modern business architecture, including ICT systems, which supports innovative and affordable frontline delivery 7.5 Maximise the benefits from the Corporate Landlord model to best utilise our asset base to support delivery of the Council's wider objectives 7.6 Develop resilient communities</p>
<p><b>8. Workforce planning</b></p>	<p>8.1 Further develop employment and working practices to enable flexible and agile working 8.2 Identify changing skills requirements over medium term and equipping the organisation with these skills 8.3 Manage workforce turnover so that vacant posts are used to provide efficiency savings, whilst retaining staff with essential skills</p>

## Appendix 2 – Changes to Revised Budget 2013/2014 since FQR

	FQR Net Budget	Additional Grant Funding	Allocations from Balances & Contingencies	Restructuring & Realignments	Other Virements	MYR Net Budget
	£000	£000	£000	£000	£000	£000
Children & Families						
Directorate	798		3	440		1,241
Safeguarding & Specialist Support	29,690		60	-6	189	29,933
Early Intervention & Prevention	11,203		46	-17		11,232
Strategy, Planning & Performance	15,429	284	31	-326		15,418
Children's Safeguarding (incl Adults)	2,313		10	-91		2,232
	59,433	284	150	0	189	60,056
Adults						
Care4CE	15,421		103	407		15,931
Strategic Commissioning	20,019		13	-19		20,013
Business Management and Challenge	5,211	60	15	-120		5,166
Health Improvement	321					321
Individual Commissioning	60,209		49	-268	-189	59,801
	101,181	60	180	0	-189	101,232
Public Health	0					0
Waste, Recycling & Streetscape	27,192		60	226		27,478
Highways & Transport	17,280		18	276		17,574
Community Services	354		62			416
Development	22,780	5	53	-299		22,539
Performance, Customer Services & Capacity	10,604		42	-203		10,443
	78,210	5	235	0	0	78,450
Finance & Business Services	18,058		67			18,125
HR & OD	3,707		15			3,722
Borough Solicitor	5,531		21			5,552
	27,296	0	103	0	0	27,399
Cross Directorate Items	-617		47			-570
<b>TOTAL SERVICE BUDGET</b>	<b>265,503</b>	<b>349</b>	<b>715</b>	<b>0</b>	<b>0</b>	<b>266,567</b>
Central Budgets						
Specific Grants	-21,697	-349				-22,046
Capital Financing	11,905					11,905
Contingencies	4,862		-668			4,194
Contribution to/from Reserves	-519		-47			-566
Invest to Save Reserve	-253					-253
	-5,702	-349	-715	0	0	-6,766
<b>TOTAL BUDGET</b>	<b>259,801</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>259,801</b>

This table shows changes to budgets since the First Quarter Review in the old budget structure.

The table overleaf then provides a summary overview of how the old structure budgets have been realigned into the new management structure.

At this stage budgets in the new structure are still being finalised in some areas and will be subject to further changes before Third Quarter Review.

## Allocation of Old Structure Budgets into New Management Structure

New Structure	£'000	Allocation of Old Structure Budgets into New Management Structure										
		Children's & Families	Adults	Waste, Recycling & Streetscape	Highways & Transport	Community Services	Development	Performance, Customer Services & Capacity	Finance & Business Services	HR & OD	Borough Solicitor	Cross Cutting
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Commissioners</b>												
Children	35,284	35,284										
Integrated Safeguarding	2,232	2,232										
Early Help & Protection	11,232	11,232										
Adults	97,701		97,701									
Public Health	321		321									
Environmental Protection & Enhancement	38,139			27,478	10,661							
Public Protection & Enforcement	-335					-547	212					
Economic Growth & Prosperity	6,415	1,094			228	665	4,428					
Resilient Local Communities	27,704	9,137			6,685	298		7,424	4,160			
	218,693											
<b>Commissioning Support</b>												
Chief Operating Officer	18,112						17,899		213			
Commercial Strategy, Business Improvement & Performance	19,568		3,210					3,019	13,292			47
Organisational Development Monitoring Officer	4,560	1,077								3,483		
Governance & Democratic Services	1,696										1,696	
	4,555								460	239	3,856	
	48,491											
Cross Cutting	-617											-617
	<b>266,567</b>	<b>60,056</b>	<b>101,232</b>	<b>27,478</b>	<b>17,574</b>	<b>416</b>	<b>22,539</b>	<b>10,443</b>	<b>18,125</b>	<b>3,722</b>	<b>5,552</b>	<b>-570</b>

## Appendix 3 – Corporate Grants Register

Corporate Grants Register 2013/2014 - Mid Year Review		Revised Budget FQR 2013/2014 £000	Revised Budget MYR 2013/2014 £000	Variance 2013/2014 £000
	Note			
<b>SPECIFIC USE (Held within Services)</b>				
<b>Schools</b>				
Dedicated Schools Grant	1	189,206	189,926	720
Pupil Premium Grant	1	5,511	5,511	0
Sixth Forms Grant (EFA)	1	6,406	6,406	0
<b>Total Schools Grant</b>		<b>201,123</b>	<b>201,843</b>	<b>720</b>
Housing Benefit Subsidy		84,518	84,518	0
Public Health		13,762	13,762	0
Local Enterprise Partnership		526	526	0
Adoption Improvement Grant		350	350	0
<b>TOTAL SPECIFIC USE</b>		<b>300,279</b>	<b>300,999</b>	<b>720</b>
<b>GENERAL PURPOSE (Held Corporately)</b>				
<b>Central Funding</b>				
Revenue Support Grant		55,855	55,855	0
Business Rates Retention Scheme		37,159	37,159	0
<b>Total Central Funding</b>		<b>93,015</b>	<b>93,015</b>	<b>0</b>
<b>Children &amp; Families</b>				
Skills Funding Agency		952	952	0
Youth Offending Service Grant		353	353	0
Troubled Families		586	586	0
Troubled Families - Co-ordinator		100	100	0
Remand Funding - New Burden		47	47	0
Sector Led Improvement Grant		3	3	0
Adoption Improvement Grant		554	554	0
Extended Rights to Free Transport		0	284	284 SRE

<b>Corporate Grants Register 2013/2014 - Mid Year Review</b>		<b>Revised Budget FQR 2013/2014 £000</b>	<b>Revised Budget MYR 2013/2014 £000</b>	<b>Variance 2013/2014 £000</b>
	<i>Note</i>			
<b>GENERAL PURPOSE (Held Corporately)</b>				
<b>Adults</b>				
NHS S256 Reablement Funding	2	5,192	5,192	0
Local Reform and Community Voices Grant (inc Deprivation of Liberties: £33k, Healthwatch: £100k and Mental Health: £121k)		254	254	0
Adult Social Care Data Collection - New Burden		0	60	60 SRE
<b>Environmental Protection &amp; Enhancement</b>				
Lead Local Flood Authorities		52	52	0
<b>Economic Growth &amp; Prosperity</b>				
Neighbourhood Planning Grant		0	5	5 SRE
<b>Monitoring Officer</b>				
Individual Electoral Registration		13	13	0
<b>Resilient Local Communities</b>				
Housing Benefit and Council Tax Administration		2,000	2,000	0
NNDR Administration Grant		562	562	0
Social Fund - programme funding		612	612	0
Social Fund - administration funding		129	129	0
Council Tax - New Burden		148	148	0
<b>Chief Operating Officer</b>				
Education Services Grant		5,349	5,349	0
New Homes Bonus 2011/2012		870	870	0
New Homes Bonus 2012/2013		1,844	1,844	0
New Homes Bonus 2013/2014		1,037	1,037	0
Affordable Homes 2012/2013		85	85	0
Affordable Homes 2013/2014		82	82	0
New Homes Bonus 2013/2014 - return of topslice		315	315	0
Council Tax Freeze Grant 2013/2014		1,805	1,805	0
Community Rights to Challenge - New Burden		9	9	0
Community Rights to Bid - New Burden		8	8	0
<b>TOTAL GENERAL PURPOSE</b>		<b>115,977</b>	<b>116,326</b>	<b>349</b>
<b>TOTAL GRANT FUNDING</b>		<b>416,255</b>	<b>417,324</b>	<b>1,069</b>

Notes

1 The Dedicated Schools Grant, Pupil Premium Grant and Sixth Form Grant (from the Education Funding Agency) figures are based on actual anticipated allocations. Changes are for in-year increases to allocations by the DfE and conversions to academy status.

2 Spending against NHS S256 Reablement Funding is to be negotiated with the NHS

## Appendix 4 – Summary Capital Programme and Funding

Department	MYR	SCE's/ Virements/ Reductions MYR	Revised MYR In-Year Budget	Forecast Expenditure		
	In-Year Budget		In-Year Budget	2013/2014	2014/2015	2015/2016 & Future Years
	2013/2014 £000	2013/2014 £000	2013/2014 £000	2013/2014 £000	2014/2015 £'000	2015/2016 & Future Years £'000
<b>Children Services</b>						
2013/14 New Starts	2,660	0	2,660	2,039	2,556	26
Ongoing Schemes	6,253	-82	6,171	5,899	3,308	259
<b>Early Help &amp; Intervention</b>						
2013/14 New Starts	100	0	100	100	297	0
Ongoing Schemes	557	-21	536	423	207	0
<b>Adults</b>						
2013/14 New Starts	611		611	611	2,500	6,000
Ongoing Schemes	763	18	781	701	80	0
<b>Environmental Protection &amp; Enhancement</b>						
2013/14 New Starts	24,040	26	24,066	24,315	12,230	16
Ongoing Schemes	20,977	139	21,116	19,972	26,282	8,529
<b>Public Protection &amp; Enforcement</b>						
2013/14 New Starts	745	51	796	744	10,200	4,500
Ongoing Schemes	1,362	90	1,452	1,447	50	0
<b>Economic Growth &amp; Prosperity</b>						
2013/14 New Starts	2,910	-763	2,147	1,510	900	1,044
Ongoing Schemes	6,738	-81	6,657	3,945	13,107	1,082

Department	SCE's/ Virements/ Reductions		Revised MYR In-Year Budget		Forecast Expenditure	
	MYR In-Year Budget	MYR	MYR In-Year Budget	2013/2014	2014/2015	2015/2016 & Future Years
	2013/2014 £000	2013/2014 £000	2013/2014 £000	2013/2014 £000	2014/2015 £'000	2015/2016 & Future Years £'000
<b>Resilient Local Communities</b>						
2013/14 New Starts	354	400	754	806	500	200
Ongoing Schemes	443	0	443	263	180	0
<b>Commercial Strategy &amp; Business Innovation</b>						
2013/14 New Starts	380	0	380	380	0	0
Ongoing Schemes	21,666	-71	21,595	20,090	36,544	9,467
Total 2013/14 New Starts	31,800	-286	31,514	30,505	29,183	11,786
Total Ongoing Schemes	58,759	-9	58,750	52,740	79,758	19,337
<b>Total Capital Expenditure</b>	<b>90,559</b>	<b>-295</b>	<b>90,264</b>	<b>83,245</b>	<b>108,941</b>	<b>31,123</b>

Funding Source	2013/2014	2014/2015	2015/2016 & Future Years
	£000	£'000	£'000
Grants	44,317	46,167	488
External Contributions	2,828	9,260	7,089
Prudential Borrowing	24,686	48,514	23,546
Revenue Contributions	1,120	0	0
Capital Reserve	10,294	5,000	0
<b>Total</b>	<b>83,245</b>	<b>108,941</b>	<b>31,123</b>

## Appendix 5 – Reductions in the Capital Programme

Scheme	Approved Budget	Revised Approval	Reduction	Reason
	£	£	£	
<b><u>Children Services</u></b>				
Lacey Green PS - Basic Need	1,237,000	1,405,796	-168,796	Reduction to scheme to match to funding provided by the Department of Education from the Targetted Basic Needs Grant.
TLC Vernons PS Amalgamation	3,789,489	3,849,489	-60,000	Final stage of works, demolition of HORSAs building, on hold as the property is in use by Vernon Primary School.
Housing Grants - Ex MBC - S106	1,044,904	962,300	-82,604	Budget reduction, these funds no longer required to complete. S106 funding which can be returned to S106 balances to be allocated to a different scheme.
Bio-Incubation Centre Alderley	1,000,000	0	-1,000,000	Since Cabinet and EMB approval, AstraZeneca made announcements (March 2013) regarding its future operational and investment plans for Alderley Park. This will result in the relocation of R&D functions and 1600 posts from the site by 2016. In response, the Government has established a Task Force to consider options and actions for future activity at the site - this Task Force comprises representatives from the Government, Cheshire East Council and AstraZeneca. Revised plans will be submitted to EMB & Council once more information and clearer plans are forthcoming, the precise nature and scope of this project has been refined.
<b>Totals</b>	<b>7,071,393</b>	<b>6,217,585</b>	<b>-1,311,400</b>	

# Appendix 6a – Request for Supplementary Capital Estimates (SCEs) and Virements

Capital Scheme	Amount Requested £	Reason and Funding Source
<b>Members are asked to note SCE and Virements up to and including £250,000</b>		
<b><u>SUPPLEMENTARY CAPITAL ESTIMATES</u></b>		
<b><u>Children Services</u></b>		
Sound & District Primary School	30,000	This project has required additional works and these costs are to be supported by the Capital Maintenance Grant
Springfield Special School (School Funded Project)	234,000	The detailed design for this project has identified a higher anticipated cost for this project. Springfield Special School are intending to seek a contribution from the "Friends of Springfield" to fund these costs
Accessibility (<£100k)	9,548	Reversal of budget reduction action at first quarter. This SCE is funded by a contribution from Pikemere Primary School and Capital Maintenance Grant
Alsager Secondary School	24,156	Additional cost to works undertaken at Alsager High School. This SCE is funded by an unallocated element of the Capital Maintenance Grant
Egerton School	2,836	Reversal of budget reduction action at first quarter. The SCE is funded by the Capital Maintenance Grant
Minor Works / Accessibility (<£100k)	1,301	Additional cost to works undertaken at Offley Primary school. This SCE is funded by an unallocated element of the Capital Maintenance Grant
<b><u>Economic Growth &amp; Prosperity</u></b>		
Farm Development Phase 1 Tatton	2,137	Phase 1 improvement of the farm including play area construction, infrastructure work and developing education facilities as part of the overall Tatton Vision. This project is now complete the SCE funded by a Revenue contribution is necessary to cover the final account from Colliers International UK PLC.
<b><u>Public Protection and Enforcement</u></b>		
Nantwich Pool Enhancements	19,000	Increased costs incurred due to the extent of remedial works that were required, includes proposals to increase the ceiling height of the Dance Studio. SCE funded by Revenue contribution

Capital Scheme	Amount Requested £	Reason and Funding Source
<b>Members are asked to note SCE and Virements up to and including £250,000</b>		
<b><u>SUPPLEMENTARY CAPITAL ESTIMATES</u></b>		
<b><u>Environmental Protection &amp; Enhancement</u></b>		
Countryside Capital Projects	26,000	The project is to create an accessible hard surfaced footpath in Brereton Heath Local Nature Reserve. This phase will complete the circular footpath to enable improved access for walkers, with or without prams and pushchairs, and importantly provide full access for wheelchair users. Final costs were only known when Ringway Jacobs appointed the contractors. The SCE is made up of three other funding streams, S106 £6,500, External Contribution £1,950, Revenue Contribution £18,550. By bringing these funding streams together, the project can be delivered.
<b>Total SCE's Requested</b>	348,978	

Capital Scheme	Amount Requested £	Reason and Funding Source
<b>Members are asked to note SCE and Virements up to and including £250,000</b>		
<b><u>CAPITAL BUDGET VIREMENTS</u></b>		
<b><u>Children Services</u></b>		
Basic Need (<£100k)	5,000	Additional costs to works being undertaken at Pebblebrook Primary School to be funded by budget from the phase two element of works.
Virement to be applied to twenty two projects. A full breakdown of this adjustment can be obtained from Corporate Finance.	25,739	Virement from Capital Maintenance Grant Block Provision to cover the costs of Asset Management Fees incurred during April to August.
<b><u>Early Help &amp; Protection</u></b>		
Virement to be applied to two projects. A full breakdown of this adjustment can be obtained from Corporate Finance.	5,540	Virement from Capital Maintenance Grant Block Provision to cover the costs of Asset Management Fees incurred during April to August.
<b><u>Economic Growth &amp; Prosperity</u></b>		
Regeneration & Development Programme	213,000	Balance of budget to be merged into Regeneration & Development Programme budget for future planned projects to consolidate the programme sharing common objectives. Virement from Town Regeneration & Development 2012/2013
<b><u>Public Protection and Enforcement</u></b>		
Nantwich Pool Enhancements	71,000	Increased costs incurred due to the extent of remedial works that were required, includes proposals to increase the ceiling height of the Dance Studio. Virement from AMS Block 2012/2013

Capital Scheme	Amount Requested £	Reason and Funding Source
<b>Members are asked to note SCE and Virements up to and including £250,000</b>	<b>£250,000</b>	
<b><u>CAPITAL BUDGET VIREMENTS</u></b> <b><u>Environmental Protection &amp; Enhancement</u></b>		
Bridge Maintenance Minor Wks	227,032	This is to combine the two budgets for structural maintenance and enhancements for both the Highway and PROW network within the Borough. Virement from Bridge Maintenance Minor Works - PROW 2011/2012
Programme Management 2013-14	20,076	This project covers the Highways Client Team - Programme Management, this is to roll up the remaining 2012/2013 budget into 2013/2014. Virement from Programme Management 2012/2013
Improvements to Congleton Park	200	Improvements to Congleton Park is a fund for minor capital, i.e. additional Play Equipment partly funded by S106 and WREN grant. This £200 is the remaining S106 funding that was used to deliver the Lower Heath Community Project which is now complete.
<b>Total Virements Requested</b>	<b>567,587</b>	
<b>Total SCE's and Virements</b>	<b>916,565</b>	

## Appendix 6b – Request for Supplementary Capital Estimates (SCEs) and Virements

Capital Scheme	Amount Requested £	Reason and Funding Source
<b>Cabinet are asked to approve SCE and Virements above £250,000 up to and including £1,000,000</b>		
<b><u>SUPPLEMENTARY CAPITAL ESTIMATES</u></b>		
<b><u>Resilient Local Communities</u></b>		
Road Safety Cycle Scheme	400,000	CEC match funding of £40k from LTP has brought in a Sustrans grant of £400,000 to deliver the scheme.
<b>Total SCE's Requested</b>	400,000	

# Appendix 7 – Treasury Management

## Counterparty Limits and Investment Strategy

1. The maximum amount that can be invested with any one organisation is set in the Treasury Management Strategy Report. For named UK banks and building societies this has been set at 15% of our total investments subject to a maximum value of £15m. These limits apply to the banking group that each bank belongs to. Limits for Money Market funds have been set at 25% of total investments subject to a maximum value of £20m. There is also a maximum that can be invested in all Money Market Funds at any one time of 50% of the value of all investments.
2. The approved counterparties list also includes a number of foreign banks although, to date, none have been used. Credit conditions within the Eurozone and worldwide have been improving and consideration, with advice from the Council's Treasury Management advisors, is being given to investments in strongly rated foreign banks. The limits applicable to foreign banks are the same as those applied to UK banks.
3. Banks credit ratings are kept under continual review and the rating of the Co-operative bank has remained significantly below investment grade. The Council's main bank accounts are held at the Co-operative Bank and measures have been put in place to wherever possible reduce credit balances within the main accounts and limit the amount of overnight cash held in the investment account.
4. Returns on highly liquid Constant Net Asset Value (CNAV) Money Market Funds have deteriorated in the last 2 quarters. Future changes in the regulation of these funds will impact further on returns. Some investments have been made in cash based Variable Net Asset Value (VNAV) Money Market Funds which benefit from higher returns but without instant access. Further investments in these types of funds are planned.

5. **Table 1** shows the current investments and limits with each counterparty. A full analysis of the types of investment and current interest rates achieved is given in **Table 2**.

**Table 1 – Current Investments and Limits**

Counterparties	Limits		Investments as at 30/09/13	
<b>UK BANKS</b>				
Barclays Bank	15%	£15m	11%	£10m
Close Brothers	15%	£15m	11%	£10m
Co-operative Bank:	15%	£15m	-	-
HSBC Bank	15%	£15m	-	-
Lloyds TSB	15%	£15m	11%	£10m
Royal Bank of Scotland	-	-	4%	£4m
Santander (UK) plc	15%	£15m	6%	£5.9m
Standard Chartered Bank	15%	£15m	2%	£2m
<b>BUILDING SOCIETIES</b>				
Nationwide Building Society	15%	£15m	11%	£10.5m
<b>Money Market Funds CNAV</b>				
Deutsche	25%	£20m	2%	£1.7m
Federated Investors	25%	£20m	3%	£2.5m
Ignis	25%	£20m	5%	£4.5m
Morgan Stanley	25%	£20m	3%	£3m
Scottish Widows	25%	£20m	2%	£1.8m
<b>Money Market Funds VNAV</b>				
Federated Investors	25%	£20m	7%	£6m
Pooled Funds - External Fund Manager	50%		22%	£20.3m
				<b>£92.2m</b>

**Table 2 – Types of Investments and Current Interest Rates**

<b>Instant Access Accounts</b>	<b>Avg rate %</b>	<b>£m</b>
Instant Access Accounts	0.76%	9.9
Money Market Funds CNAV	0.41%	13.5

<b>Notice Accounts</b>	<b>Avg rate %</b>	<b>£m</b>
Money Market Funds VNAV	0.66%	6

<b>Fixed Term Deposits</b>	<b>Start</b>	<b>Maturity</b>	<b>Rate %</b>	<b>£m</b>
Standard Chartered CD	26/11/2012	26/11/2013	0.69	2
LLoydsTSB	07/01/2013	07/01/2014	1.10	2
LLoydsTSB	02/04/2013	02/10/2013	0.80	3
Nationwide BS	02/04/2013	02/10/2013	0.54	3
Barclays	11/04/2013	17/01/2014	0.66	5
LLoydsTSB	08/05/2013	18/10/2013	0.75	3
Nationwide BS	19/07/2013	17/01/2014	0.50	2
Close Bros	31/07/2013	07/11/2013	0.50	5
Barclays	28/08/2013	28/08/2014	0.85	5
Nationwide BS	02/09/2013	17/01/2014	0.48	3
Nationwide BS	04/09/2013	18/12/2013	0.45	2.5
Close Bros	11/08/2013	20/12/2013	0.47	5
LLoydsTSB	27/09/2013	10/01/2014	0.70	2

<b>Externally Managed Funds</b>	<b>£m</b>
Pooled Investments	20.3

<b>Maturity Profile</b>	<b>£m</b>
Instant Access	23.4
Maturing < 1 month	15
Maturing within 1 - 6 months	28.5
Maturing within 6 - 12 months	5
Externally Managed Funds	20.3

Total	92.2
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## Performance of Fund Manager

6. The table below shows the performance of the funds (net of fees) since the initial investment of £20m (£10m in each model) on 27th May 2011.

	<b>STANDARD MODEL</b>	<b>DYNAMIC MODEL</b>
<b>April 2013</b>	0.23%	0.27%
<b>May 2013</b>	-0.13%	-0.13%
<b>June 2013</b>	-0.25%	-0.29%
<b>July 2013</b>	0.05%	0.05%
<b>August 2013</b>	-0.20%	-0.25%
<b>September 2013</b>	0.22%	0.22%
<b>Cumulative 2013/14</b>	-0.16%	-0.15%
<b>Value of Investment at 30/09/13</b>	£10,187,899	£10,161,463
<b>Fees (Total since start)</b>	£59,491	£64,061
<b>Annual Rate as at 30/09/13</b>	0.16%	0.17%

7. Strong performance in April was overshadowed by poor results in May, June and August. The causes were the slowing down of growth in emerging markets, particularly China, and over-reactions in the bond markets over concerns on the possible scaling back of quantitative easing measures in USA.
8. Bond markets did rally in September with bonds now paying higher yields than before. The nature of these investments is that performance can be volatile so they should only be judged over a

longer period of time. The situation is being monitored and regular meetings are being held with the fund managers to assess the on-going performance, future direction and suitability of these funds.



## Appendix 8 – Request for Supplementary Revenue Estimates (SREs) Funded by Additional Grant

Service	Item	£000	Details
Resilient Local Communities	General Purpose	284	<p>Extended Rights to Free Transport. The Department for Education provides additional transport funding to local authorities to support children from low-income families to be able to attend schools further from home than the statutory walking distances.</p> <p>The service have already been reviewing the home to school transport provision within Cheshire East Council, this has lead to some changes within transport provision. However, any policy options can be altered depending on public consultation (e.g. safer routes). This funding will be used to support section 31 requirements.</p>
Adults Services	General Purpose	60	<p>The Health and Social Care Information Centre announced in September 2012 and May 2013 of changes to the collection Adult Social Care data.</p> <p>The Department of Health has allocated grant funding to support the changes to support the new data collection requirements.</p> <p>The Council should be able to collate data for the new DoH returns. The grant will be paid as a one off lump sum in July/August 2013.</p> <p>The service have already been actively reviewing and planning for the changes to the DoH returns.</p> <p>This funding will be used to ensure the data in supporting systems (Paris and the new Adult Financials system) meets the new requirements, this may involve updating discrepancies and change</p>

			requests to key corporate systems.
Economic Growth and Prosperity	General Purpose	5	Neighbourhood Planning Grant: A grant of £5,000 is provided to the Council by the Department for Communities & Local Government for each Neighbourhood Area that is designated. This is to support these local communities to prepare a neighbourhood plan. Only one such designation has been made so far but others are expected in the future but probably not in this financial year. The grant is not ring fenced to Neighbourhood Planning so can be used to support the wider Spatial Planning function.
<b>TOTAL</b>		<b>349</b>	

## Appendix 9 – Debt Management

1. In addition to the collection of Council Tax and National Non-Domestic Rates the Council also issues invoices to organisations or individuals for certain key services. Performance related to Council Tax and Non-Domestic Rates is contained in Section 2 of this report.
2. Total Invoiced Debt at the end of September 2013 was £9.0m. After allowing for £2.0m of debt still within the payment terms, outstanding debt stood at £7.0m. This is £1.3m higher than at 30th June.
3. The total amount of service debt over 6 months old is £2.8m which is the same as the level of older debt reported at the First Quarter Review.
4. Services have created debt provisions of £2.9m to cover this debt in the event that it needs to be written off.
5. An analysis of the invoiced debt provision by service is provided in the table. This does not yet reflect the new management structure.
6. The Council uses a combination of methods to ensure prompt payment of invoices. Recovery action against unpaid invoices may result in the use of debt collectors, court action or the securing of debts against property.

Children & Families	634	336	338
Schools	49	39	38
Adults	3,958	1,619	1,615
Waste, Recycling & Streetscape	444	149	252
Highways & Transport	453	218	217
Community	88	64	64
Development	1,315	380	380
Performance, Customer Service & Capacity	11	4	2
Finance & Business Services	28	27	6
HR & OD	6	6	12
Borough Solicitor	56	2	2

### TOTAL

Outstanding Debt £000	Over 6 months old £000	Debt Provision £000
634	336	338
49	39	38
3,958	1,619	1,615
444	149	252
453	218	217
88	64	64
1,315	380	380
11	4	2
28	27	6
6	6	12
56	2	2
<b>7,042</b>	<b>2,844</b>	<b>2,926</b>